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1st Session

SENATE

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No. 98-38

LEGISLATIVE REVIEW ACTIVITIES DURING THE 97TH CONGRESS

REPORT

OF THE

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY UNITED STATES SENATE

MARCH 24 (legislative day, MARCH 21), 1983.—Ordered to be printed

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Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, submitted the following

REPORT

This report on the activities of the Committee on Agriculture, Nutrition, and Forestry during the 97th Congress is submitted pursuant to rule XXVI 8(b) of the Standing Rules of the Senate.

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I. INTRODUCTION

In addition to its responsibilities relating to the enactment of statutory authority for Federal programs under its jurisdiction, the Committee on Agriculture, Nutrition, and Forestry reviews on a continuing basis the application, administration, and execution of all laws within its jurisdiction. Program developments and changes and Gen-

eral Accounting Office reports with respect to the administration of laws within the jurisdiction of the Committee are continuously reviewed and studied. The Committee requests special investigations, studies, or reports from the General Accounting Office, the Congressional Research Service of the Library of Congress, the United States Department of Agriculture, and other agencies whenever it is determined that such action would be helpful in conducting its oversight activities.

During the 97th Congress, the Committee's review activities were primarily concentrated on legislation that was scheduled to terminate or which otherwise contained a "sunset" provision with respect to the authorization for appropriations and legislation to be included in omnibus reconciliation bills designed to achieve major savings in Federal spending.

The Committee on Agriculture, Nutrition, and Forestry was very active during the 97th Congress. One hundred thirty bills were referred to the Committee and its eight subcommittees. The Commitee reported 24 bills to the Senate. Twenty-eight bills were enacted into law. One bill was passed by the Senate but not the House (however, the provisions of the bill were enacted in modified form as part of other laws); and six bills were reported to the Senate but never came to the floor for consideration (the provisions of one were included in other legislation). In addition, the Committee considered and reported favorably on 28 Presidential nominations. Each nominee was subsequently confirmed by the Senate.

The Committee conducted 129 days of hearings relating to legislation and executive branch appointments, 40 days of legislative markup, and 27 days of conferences.

Agriculture and its related enterprises comprise the largest single part of the American economy, accounting for the employment of nearly 23 million people. Consequently, the jurisdiction of the Committee on Agriculture, Nutrition, and Forestry extends into virtually every area of the Nation's economy. Further, American farmers export almost half of everything they produce, and the agricultural sector of the economy accounts for the largest amount of U.S. export trade. This means that farmers have a tremendous interest in all matters relating to the foreign trade of the United States.

During the 97th Congress, the Committee on Agriculture, Nutrition, and Forestry developed programs that significantly affected the Nation and the world. Congress has an important role to play as partner with the farm community. The objective of that role is to help the farmer do what he cannot do on his own—promote basic research, seek out new markets, counter any unfair trade practices of our trading partners, provide a measure of protection from unpredictable weather and natural disasters, and create the proper environment so that the forces of supply and demand can send farmers the economic signals they need to formulate their marketing and planning strategies.

The Committee's overall objective in the 97th Congress was to provide reasonable agricultural programs without unnecessarily burdening the American taxpayer. The Committee reviewed programs to develop legislation to provide the basic economic stability needed

by the agricultural sector and to give farmers the opportunity to earn a fair and reasonable profit in the marketplace.

Out of necessity, the Committee went to great lengths to fashion legislation that would not result in unacceptably large Federal outlays. This was a prime concern, since both 1981 and 1982 were years in which severe budgetary constraints played a very prominent role in the development of legislation. However, because of the diversity of interests affected by the Committee's actions and initiatives, the Committee strove to maintain a very complex, yet delicate balance on each legislative issue.

II. Summary of Organization of the Committee and Statistical Summary of Its Activities

A. ORGANIZATION

The 97th Congress provided the first opportunity in 26 years for the Republican Party to organize the Senate as the Majority Party. In view of this, the organization of the Committee was entirely revamped.

In the first session of the 97th Congress, the Committee was composed of 17 members, with representation from each of the major agricultural regions of the country. The composition was 9 Republicans and 8 Democrats. In the second session of the 97th Congress, the Committee membership was expanded to 18 when on April 28, 1982, Senator Orrin G. Hatch of Utah became a member of the Committee, making 10 Republicans and 8 Democrats.

Senator Jesse Helms was elected Chairman of the Committee and Senator Walter D. Huddleston was appointed as Ranking Minority Member for the 97th Congress.

The following is a list of Committee Members at the time of adjournment:

Jesse Helms, North Carolina, *Chairman*

Bob Dole, Kansas	Walter D. Huddleston, Kentucky
S. I. Hayakawa, California	Patrick J. Leahy, Vermont
Richard G. Lugar, Indiana	Edward Zorinsky, Nebraska
Thad Cochran, Mississippi	John Melcher, Montana
Rudy Boschwitz, Minnesota	David H. Pryor, Arkansas
Roger W. Jepsen, Iowa	David L. Boren, Oklahoma
Paula Hawkins, Florida	Alan J. Dixon, Illinois
Mark Andrews, North Dakota	Howell Heflin, Alabama
Orrin G. Hatch, Utah	

On January 23, 1981, the first full committee meeting was held for the purpose of organizing subcommittees. The Environment, Soil Conservation, and Forestry Subcommittee of the 96th Congress was divided into two subcommittees to give added emphasis to the water conservation and water resources areas. The two new subcommittees created were the Soil and Water Conservation Subcommittee and the Forestry, Water Resources, and Environment Subcommittee.

Also, the jurisdiction of the subcommittee handling rural development was broadened to include oversight and investigations.

The following is a list of the subcommittees and their membership at the time of adjournment:

SOIL AND WATER CONSERVATION*

(Subcommittee No. 1)

Mr. Jepsen, *Chairman*

Mr. Cochran
Mr. Hayakawa
Mr. Heflin
Mr. Huddleston

*Messrs. Helms and Huddleston are ex officio members of all subcommittees of which they are not regular members.

(Note.—Because of the importance of Food for Peace, consideration of that program is reserved to the full Committee.)

AGRICULTURAL CREDIT AND RURAL ELECTRIFICATION

(Subcommittee No. 2)

Mrs. Hawkins, *Chairman*

Mr. Jepsen
Mr. Andrews
Mr. Zorinsky
Mr. Heflin
Mr. Boren

AGRICULTURAL PRODUCTION, MARKETING, AND STABILIZATION OF PRICES

(Subcommittee No. 3)

Mr. Cochran, *Chairman*

Mr. Helms
Mr. Andrews
Mr. Boschwitz
Mrs. Hawkins
Mr. Huddleston
Mr. Zorinsky
Mr. Melcher
Mr. Dixon
Mr. Leahy

AGRICULTURAL RESEARCH AND GENERAL LEGISLATION

(Subcommittee No. 4)

Mr. Lugar, *Chairman*

Mr. Dole
Mr. Hayakawa
Mr. Boschwitz
Mr. Andrews
Mr. Boren
Mr. Huddleston
Mr. Pryor
Mr. Heflin

RURAL DEVELOPMENT, OVERSIGHT, AND INVESTIGATIONS

(Subcommittee No. 5)

Mr. Andrews, *Chairman*

Mr. Lugar
Mr. Boschwitz
Mr. Pryor
Mr. Leahy

FOREIGN AGRICULTURAL POLICY

(Subcommittee No. 6)

Mr. Boschwitz, *Chairman*

Mr. Lugar	Mr. Dixon
Mr. Cochran	Mr. Pryor
Mr. Dole	Mr. Boren
Mr. Jepsen	Mr. Zorinsky
Mrs. Hawkins	

NUTRITION

(Subcommittee No. 7)

Mr. Dole, *Chairman*

Mr. Hayakawa	Mr. Leahy
Mr. Lugar	Mr. Melcher
Mrs. Hawkins	Mr. Dixon

FORESTRY, WATER RESOURCES, AND ENVIRONMENT

(Subcommittee No. 8)

Mr. Hayakawa, *Chairman*

Mr. Jepsen	Mr. Melcher

B. STATISTICAL SUMMARY OF ACTIVITIES

Statistical data on bills and resolutions referred to the Senate Committee on Agriculture, Nutrition, and Forestry are as follows:

(1) Number of bills and resolutions referred:	
Senate bills	130
Senate resolutions	6
Senate concurrent resolutions	5
Senate joint resolutions	1
House bills	14
House concurrent resolutions	2
Total	158
(2) Disposition of bills and resolutions:	
Senate reports	21
Conference reports	4
Bills reported, enacted into law	17
Bills held at desk or placed on calendar and enacted into law	5
Bills enacted, Committee discharged	6
Bills passed by Senate, not acted on by House	1
Bills reported, did not pass Senate	6
Reports of resolutions	4
(3) Agency reports:	
Reports requested from USDA	90
Reports received	35
Reports favorable	7
Reports adverse	23
Reports favorable, if amended	6
Reports neutral	1
Reports requested from other Executive agencies	3
Reports received	0

C. Record of Committee Activities during the 97th Congress

	1981	1982	Total
Full committee meetings (includes major farm bill hearings, nomination hearings and other hearings)	37	8	45
Committee markups	24	13	37
Conferences	21	6	27
Full committee field hearings	4	2	6
Subcommittee on Soil and Water Conservation	1	2	3
Subcommittee on Agricultural Credit and Rural Electrification	2	2	4
Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices	2	9	11
Subcommittee on Agricultural Research and General Legislation	2	9	11
Subcommittee on Rural Development, Oversight, and Investigations	2	3	5
Subcommittee on Foreign Agricultural Policy	4	5	9
Subcommittee on Nutrition	1	2	3
Subcommittee on Forestry, Water Resources, and Environment	1	4	5
	101	65	166

D. COMMITTEE REPORTS SUBMITTED TO SENATE

BILL	Rept. No.	H. Conf. Rept.	S. Conf. Rept.
S. 505	S. Rept. 97-582		
S. 509	S. Rept. 97-24		
S. 705	S. Rept. 97-332		
S. 730	S. Rept. 97-38		
S. 884	S. Rept. 97-126	H. Rept. 97-377	S. Rept. 97-290
S. 1007	S. Rept. 97-128		
S. 1036	S. Rept. 97-75		
S. 1322	S. Rept. 97-255		
S. 1377..(H.R.3982)	S. Rept. 97-139	H. Rept. 97-208	
S. 2109..(H.R.5447)	S. Rept. 97-384	H. Rept. 97-964	
S. 2154	S. Rept. 97-333		
S. 2314	S. Rept. 97-422		
S. 2484	S. Rept. 97-406		
S. 2774..(H.R.6955)	S. Rept. 97-504	H. Rept. 97-750 H. Rept. 97-759	
S. 2960	S. Rept. 97-591		
H.R. 2035	S. Rept. 97-569		
H.R. 2160	S. Rept. 97-334		
H.R. 3831	S. Rept. 97-570		
H.R. 5203	S. Rept. 97-551		
H.R. 6422	S. Rept. 97-571		
S. Res. 218	S. Rept. 97-263		

III. Committee Activities During the 97th Congress

A. Major Legislative Activities

Agriculture and Food Act of 1981

When the 97th Congress convened in January 1981, the first major task facing the Committee was the need to review and extend legislation affecting all of the major farm programs for the basic agricultural commodities. Other major programs which were also expiring included the Food for Peace Program under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), the food stamp program, and the basic research appropriation authorities of the Department of Agriculture. The Committee chose to combine the extension of these programs (except the food stamp program) into one comprehensive law. The Agriculture and Food Act of 1981 was the product of the Committee's efforts, and it represented the major legislation handled by the Committee in the first session of the 97th Congress. Extension and revision of the food stamp program was included by the Committee in S. 1007, but many of the provisions of that bill were later incorporated into the Agriculture and Food Act of 1981 during the conference on the bill.

The Agriculture and Food Act of 1981 was designed to complement, rather than control, the farm economy. The Act preserved the most worthwhile elements of existing programs and made significant advances toward a market-oriented agricultural economy—a goal shared by both farmers and members of Congress.

The paramount feature of farm policies, from the time of the Great Depression until the late 1960's, was direct Government involvement in agricultural production. Starting with the Agricultural Act of 1970 and continuing through the Food and Agriculture Act of 1977, Congress has gradually shifted the Federal Government away from direct involvement in farmers' business.

The Food and Agriculture Act of 1977 established a positive direction toward market-orientation in U.S. agricultural policy. The Agriculture and Food Act of 1981 continued the progress toward the goal of minimizing Government interference in agriculture and maximizing the farmers' opportunity to earn a fair profit in the marketplace.

Significant changes in economic and geopolitical conditions had taken place since the 1977 Act was written. Spiraling inflation and excessive Government regulation had caused farmers' costs to skyrocket. The sudden imposition of the partial trade embargo with the Soviet Union disrupted the world markets in which American farmers earn more than one-third of their income. As a consequence, net farm income plunged by approximately 29 percent in current dollars and almost 40 percent in real terms from 1979 to 1980.

The farmers' situation was further complicated by the fact that individual farmers have little or no control over inflation, Government regulation, world trade patterns and the prices they receive for their products.

With these considerations in mind, the Committee embarked upon 24 days of hearings early in 1981. Substantive testimony was taken on the issues to be addressed in the bill from representatives of agricultural and consumer interests throughout the country. These hearings

were followed by 3 weeks of mark-up sessions, during which the various portions of the bill were assembled.

The Agriculture and Food Act of 1981 consists of 18 titles and covers such important issues as the commodity programs; grain reserves; agricultural exports; Public Law 480; the food stamp and commodity distribution programs; agricultural research, extension, and teaching programs; soil and water conservation programs; farmland protection; rural development nad credit assistance; and floral research and consumer information.

The Committee continued the traditional combination of price support loans and target price protection programs for the 1982 through 1985 crops of wheat, feed grains, upland cotton, and rice. These commodity programs provide basic price and income assurance so that farmers will be willing to maintain production for the benefit of consumers both here and abroad. At the same time, the programs give the producer great flexibility in decisions concerning farm planning.

The Act makes prevented planting and reduced-yield disaster payments available for each of the 1982 through 1985 crops of wheat, feed grains, upland cotton, and rice for producers for whom Federal crop insurance is not available. The Secretary of Agriculture has the discretionary authority to make such disaster payments available to any producer if disaster losses have created an economic emergency that cannot be alleviated by crop insurance and other assistance programs. The Act also authorizes acreage limitation and paid diversion programs if needed to protect against overproduction.

Several major changes were made in the farmer-owned grain reserve by the Agriculture and Food Act of 1981. One of the most significant changes was the elimination of the reserve call price—the point at which the Government could require farmers to repay loans, often forcing them to sell their grain. Under the Act, the Secretary still could require repayment of reserve loans prior to maturity if emergency conditions exist. The revised provisions authorize the Secretary of Agriculture to adjust interest rates to encourage orderly marketing. The effect of this action is to allow farmers to make their decisions based on the marketplace, rather than Government mandate.

In a move to strengthen the forces of the market in the dairy industry and to reduce unacceptably high Government expenditures, the Act establishes milk price supports at not less than $13.10 per hundred pounds for fiscal year 1982. For fiscal years 1983, 1984, and 1985, the minimums would be $13.25, $14.00, and $14.60 if surplus purchases are projected at more than $1 billion. If purchases are projected at less than $1 billion, the minimum would be 70 percent of parity. The support floor could rise to 75 percent of parity if projected surpluses are less than 4 billion pounds in 1983, 3.5 billion pounds in 1984 and 2.69 billion pounds in 1985.

The Act eliminates the traditional peanut acreage allotment system but retains the poundage quota system with an increase in the price support loan rate for quota peanuts. Under the new peanut program, anyone may grow peanuts but only those with poundage quotas, which have been tied directly to allotments, are eligible for the higher support levels. In the case of soybeans price support loans for the 1982 through 1985 crops were authorized at 75 percent of the 5-year national

average price received by farmers with a floor of $5.02 per bushel. A 4-year price support program for sugar was also provided.

The Act contains several important provisions affecting agricultural exports. These include provisions requiring the Secretary of Agriculture to compensate farmers whose products are affected by any future selective embargo on exports of agricultural products, creating an agricultural export credit revolving fund, giving the Secretary of Agriculture discretionary power to formulate a standby export subsidy program which could be used, if found necessary by the President, to offset subsidies paid by other countries.

The Act extends the authorization of appropriations for the food stamp program for 1 fiscal year, postpones a scheduled April 1, 1982, cost-of-living adjustment in food stamp allotments to October 1, 1982, and makes a number of other changes in the Food Stamp Act of 1977 to provide for more efficient program operation, reduce fraud and abuse, and provide more flexibility for the States to operate the program. In a significant new approach, the Act allows localities nationwide to adopt, if they wish, "workfare" programs under which some able-bodied food stamp recipients would be required to perform public service work in return for their food stamps.

The Act extends for 4 years the authorization for funding for research, extension, and teaching programs in the Department of Agriculture; strengthens the research and extension partnership between the Department of Agriculture and the Nation's land grant colleges and universities; expands the scope of research and extension activities to include aquaculture and rangeland management; and establishes a Soybean Research Advisory Institute within the Department of Agriculture.

The Act also extends the Farmers Home Administration economic emergency loan program for 1 year with a $600 million limit on guaranteed and insured loans during the extension; authorizes a new special areas conservation program to focus financial assistance on areas that suffer chronic erosion problems; establishes a farmland protection policy aimed at minimizing the effect of Federal actions on conversion of agricultural land to other uses; and establishes a program of research and consumer information for the flower and plant industry.

Omnibus Budget Reconciliation Act of 1981

In February 1981, President Reagan submitted to Congress a multiyear program for economic recovery. This was comprised of substantial reductions in the growth of Federal spending and taxes, regulatory relief, and a restrictive monetary policy. In order to coordinate the efforts of all the congressional comittees in making reductions in nondefense expenditures, Congress used the budget reconciliation process outlined in the Congressional Budget Act of 1974. Under that process, committees were instructed, through the concurrent resolution on the budget, to make legislative recommendations changing existing laws under their jurisdiction to make specified amounts of spending reductions or revenue increases.

The Committee on Agriculture, Nutrition, and Forestry met and exceeded its reconciliation instructions. Rather than simply capping authorizations and deferring actual program cuts to the appropriations

committees, the Committee made specific changes in the authorizing legislation for programs, meeting the spirit of the reconciliation process as well as its substance.

In areas within the Committee's jurisdiction, the Committee achieved savings for fiscal year 1982 totaling $1.5 billion in agricultural and farm-related programs, savings of almost $1.7 billion for fiscal year 1982 in food stamp program reforms, and savings of about $1.5 billion for fiscal year 1982 in the child nutrition program area. Total savings were achieved of $4.7 billion for fiscal year 1982 and a total of $16.3 billion for fiscal years 1982 through 1984.

The bulk of the reductions came in the 2 largest areas of the Department of Agriculture's budget—food stamps and child nutrition programs. Most of the major reductions in the food stamp portion of the reconciliation measure were contained in S. 1007, adopted by the Senate on June 10, 1981.

In the case of the food stamp provisions, the major savings were achieved by limiting eligibility for the program to households with gross incomes below 130 percent of the applicable Federal poverty level (the net income eligibility of 100 percent of the poverty level was maintained for households with elderly or disabled members); delaying and changing the timing of the annual adjustments in the cost of the thrifty food plan, the standard deduction, and the ceiling on dependent care/excess shelter expense deductions; reducing the earned income deduction from 20 to 18 percent of earnings; requiring States to use by October 1, 1983, a system of retrospective accounting and periodic reporting in the determination of eligibility and benefits; excluding from the program households with a member on strike unless the household was eligible for the program before the strike; and providing a block grant for food assistance for Puerto Rico beginning July 1, 1982.

Savings in the child nutrition programs were achieved primarily by reducing Federal reimbursement rates for school meals; providing annual, rather than semiannual, inflation adjustments in reimbursement rates; tightening eligibility standards under which schools could receive extra "severe need" assistance for breakfast programs; lowering the income eligibility limits for students receiving federally-subsidized free and reduced-price school meals; and limiting the specal milk program, the summer food service program, and the child care food program.

The Act also achieves savings in the farm and rural development programs of the Department of Agriculture by setting minimum price support levels for milk between 75 and 90 percent of parity, with the actual levels based on the estimated amount of Government purchases under the price support program; placing caps on the authorizations for certain Department of Agriculture programs; cutting back spending for certain Forest Sevice activities; reducing Department of Agriculture personnel; authorizing collection of fees to offset the Federal costs of official grading or inspection of grain, tobacco, naval stores, cotton, and warehouses; and increasing interest rates on certain Farmers Home Administration and Rural Electrification Administration loans.

Omnibus Budget Reconciliation Act of 1982

Committee recommendations included in the Omnibus Budget Reconciliation Act of 1982 accounted for a large portion of the savings achieved by that Act.

Through a combination of spending reductions in the food stamp and dairy price support programs and an agricultural export promotion proposal, the Committee met the spending reductions required by the first concurrent budget resolution for fiscal year 1983 and achieved a surplus savings of $312 million in fiscal year 1983, $327 million in fiscal year 1984, and $311 million in fiscal year 1985.

Highlights of the Committee portion of that Act are as follows:

Wheat and feed grains.—An acreage reduction program for the 1983 wheat crop is mandated. Under this program, growers who agree to put 20 percent of their base acreage into conversion use will receive acreage diversion payments on 5 percent of the base. Growers participating in the program are eligible for Federal price support benefits, including price support loans and "target price" income protection. In addition, the wheat price support loan rate was raised from $3.55 per bushel to $3.65 per bushel for the 1983 crop.

Similar provisions were enacted for corn and other feed grains. Under these programs, producers could elect to put 15 percent of their base acreage into conservation uses and receive diversion payments on 5 percent of their base. The corn support loan rate was also raised from $2.55 a bushel to $2.65 a bushel for the 1983 crop.

Also, in order to provide cash flow assistance to farmers, the Act provides that farmers participating in the voluntary acreage reduction programs would be provided with an advance portion of anticipated deficiency payments on 1982 and 1983 crops.

Dairy.—The Act makes further changes in the dairy price support program in an attempt to reduce the large expenditures under that program. Although adjustments intended to bring dairy production more in line with demand were made in the dairy price support program in the Agriculture and Food Act of 1981 and the Omnibus Budget Reconciliation Act of 1981, Federal outlays and dairy product purchases continued to increase through fiscal year 1982.

Under the Act, the price support level for manufacturing-grade milk, which is used for making cheese, butter, and similar dairy products, is continued at the level of $13.10 per hundred pounds for the 1983 and 1984 fiscal years. For fiscal year 1985, the support price will be set at the percentage of parity which $13.10 represented on October 1, 1983.

Further, to encourage the reduction of the dairy surplus and to offset part of the cost to the Commodity Credit Corporation of the dairy price support program, the Secretary of Agriculture is authorized to impose a deduction of 50 cents per hundred pounds from the proceeds of all milk sold by farmers to be effective as early as October 1, 1982, if projected annual Government surplus purchases for the fiscal year are above 5 billion pounds milk equivalent. This deduction could later be followed by an additional 50-cent assessment, beginning April 1, 1983, if projected Government surplus purchases are above 7.5 billion pounds. If this second assessment is levied, however, the Secretary must also provide a system under which individual

farmers can get refunds if they reduce milk production—thus escaping part or all of the additional assessment.

Rice.—Producers wishing to qualify for price support and target price benefits will be required to divert 20 percent of their base acreage from production to conservation use, and 5 percent of the base acreage would then be eligible for diversion payments. The diversion payment rate was set at $3 for each 100 pounds normally produced on the acres eligible for payment.

Exports.—Because of concern over the burgeoning stocks of agricultural commodities in the United States and the erosion of traditional markets for U.S. commodities throughout the world, the Act includes a measure to require the use of Commodity Credit Corporation funds to counter subsidies and other unfair trade practices being used by other nations. As finally agreed to, the Act provides that in each of the 3 fiscal years 1983, 1984, and 1985, the Secretary of Agriculture is required to use between $175 million and $190 million in Commodity Credit Corporation funds for export activities authorized by existing law.

Food Stamps.—The Act also includes significant reforms in the food stamp program designed to reduce the program's susceptibility to fraud and abuse, to provide greater State flexibility in the management of the program, and to slow the overall growth in the cost of the program.

As finally agreed to, the Act would slow projected program costs by $1.939 billion over the next 3 fiscal years—$548 million in 1983, $635 million in 1984 and $756 million in 1985. The Act reauthorized the program for 3 years at a level of $12.874 billion for 1983, $13.145 billion for 1984 and $13.933 billion for 1985. These levels include $825 million per year for the Puerto Rico block grant program.

Reductions in spending were achieved primarily through reducing the rate of annual increases in recipient benefits and by reducing federally-reimbursed administrative expenses to States which fail to reduce overissuance errors in the program. The revision in indexing was estimated to save $510 million over the 3-year period while the error rate reduction was estimated to save $615 million.

Other savings were achieved through tightening administrative procedures, including allowing States to require that food stamp applicants, as well as recipients, must make a job search; eliminating benefits of under $10 in the first month of an applicant's eligibility; tightening regulations for granting "expedited service" to applicants; rounding down individual benefits to the next lower dollar; and revising guidelines for standard utility allowances used by States.

The Act also expands the work-for-benefit requirements established in 1981 for able-bodied recipients in jurisdictions which opt to establish such "workfare" program; delays increases in indexing of deductions for 3 months in fiscal year 1983; tightens further the eligibility of college students to participate in the program; and establishes minimum penalties for violations by retail stores participating in the program.

Futures Trading Act of 1982

Another significant piece of legislation passed by the 97th Congress was the Futures Trading Act of 1982 (S. 2109 and H.R. 5447). This

Act extended the authorization for appropriations for the Commodity Futures Trading Commission (CFTC) through September 30, 1986. The Act also included a number of revisions to the Commodity Exchange Act, which governs trading in futures contracts.

Chief among these revisions was a delineation of the CFTC's regulatory jurisdiction, and the specification of the role to be played by the Securities and Exchange Commission, in the approval of stock index futures contracts. The CFTC will continue to have exclusive jurisdiction over approved futures contracts based on groups or indexes of securities and on option contracts based on such securities. However, any stock index futures contract application submitted to the CFTC after December 8, 1982, may not be approved if the SEC determines that the new contract does not meet the minimum requirements set out in the Act. Any board of trade whose application was not approved because of such SEC action can appeal to the Federal courts.

Another revision gives States extensive powers to combat fraud in the offer and sale of commodities. The individual States are permitted to apply any relevant Federal or State law or regulation to any commodity dealings lying outside the CFTC's regulatory jurisdiction. The States are also authorized to bring actions in State court to enforce the antifraud provisions of the Commodity Exchange Act. These provisions were adopted to give the States a greater role in combating fraud, while preserving the Commission's exclusive authority to regulate all aspects of futures trading.

Another provision of the Act authorizes a study, costing no more than $3 million, to assess the effect of futures and options trading on the economy, including the effect of such trading on capital investment, and to determine whether any new legislation is needed in this area. This study will also seek to determine what effect stock index futures have, if any, on the underlying securities. The study is to be conducted by the Board of Governors of the Federal Reserve System, the CFTC, and the SEC, with assistance from the Treasury Department.

At the suggestion of Chairman Helms, a provision was added to the Act authorizing the CFTC to initiate a pilot program for the trading of options on agricultural commodities. This pilot program will not exceed 3 years in length and will, if possible, be folded into the existing options on futures pilot program.

The Act also contains a provision to guarantee delivery under contracts for the export of agricultural commodities. Under this provision, except in periods of declared war or national emergency, the President may not, under a suspension of trade, curtail the export of agricultural commodities covered by export contracts signed before the suspension if the contracts call for delivery with 270 days after the suspension is imposed. This provision had wide support in the farm and agribusiness communities throughout the country and was viewed as a measure to restore the image of the United States as a reliable supplier of agricultural commodities.

Other provisions contained in the Futures Trading Act of 1982 include the granting of explicit power to the CFTC to set margins on futures contracts in emergency situations and to establish position limits by rulemaking as well as by order. The bill also provides for

limited judicial review of CFTC emergency actions, the regulation of the sale of foreign futures contracts in the United States, and the registration of so-called "introducing brokers". The Act further provides for an explicit private right of action for violation of the Commodity Exchange Act and for a broadened role for self-regulation of the futures trading industry.

No Net Cost Tobacco Program Act of 1982

The Agriculture and Food Act of 1981 mandated that Congress develop legislative adjustments in the tobacco marketing and price support program which would result in a program that would operate at no net cost to the taxpayers, other than ordinary administrative expenses.

The Committee held hearings in February and March 1982 in an effort to develop legislation to accomplish that goal. Enactment of the No Net Cost Tobacco Program Act of 1982 implements the congressional directive.

The "no net cost" goal is achieved through producer contributions and assessments to a fund or account to be used to reimburse the Commodity Credit Corporation for any net losses it may suffer under its loan agreements with producer associations in carrying out the tobacco price support program.

The legislation establishes a capital account in each producer association called the "No Net Cost Tobacco Fund." This fund is to ensure that all price support loans, including interest and principal, will be paid back in full. Beginning in 1982, all producers are required to contribute to the fund. In 1983, allotment holders who lease and transfer Flue-cured allotments and quotas will be required to contribute to the fund as well.

The Act makes several changes in law regarding lease and transfer of Flue-cured tobacco allotments and quotas, including the elimination of fall leasing in most instances. The sale of Flue-cured tobacco allotments and quotas is also allowed to persons who are active tobacco producers. Corporations, public utilities, governmental bodies, and other entities not significantly involved in the management or use of the land for agricultural purposes, are prohibited from owning either Flue-cured or Burley tobacco allotments or quotas after December 1, 1983.

The legislation also gives the Secretary of Agriculture authority to adjust the price support levels on different grades of tobacco according to market conditions, so long as these levels reflect not less than 65 percent of any increase in the average level otherwise required by law.

Food and Commodity Distribution Amendments of 1981

The Committee carried out an extensive review of the operation of the food stamp program.

As mentioned previously, food stamp provisions were not included in the Committee-reported version of the Agriculture and Food Act of 1981. Instead, the Committee included amendments to the Food Stamp Act of 1977 and commodity distribution laws in S. 1007 which was reported on June 2, 1981. The bill was passed by the Senate on June 10, 1981. Although no action was taken on the bill by the House of Representatives, the bulk of the provisions were considered and included in

either the Omnibus Budget Reconciliation Act of 1981 or the Agriculture and Food Act of 1981.

The total cost of the food stamp program in fiscal year 1981 was estimated at $11.4 billion. Without any spending reforms, it was estimated that the program cost could reach as high as $12.5 billion in fiscal year 1982. In early 1981 when the bill was considered, there were about 22 million Americans—about 1 in every 10—receiving food stamps.

In the 3 years prior to fiscal year 1981, the food stamp program more than doubled in cost. In the 2 years from October 1978 to October 1980, participation jumped from 15.2 million to 22 million—a 45 percent increase.

Because of the tremendous increase in the cost of the program, the Committee searched for solutions that would accomplish several objectives. While the Committee desired to extend the program, Committee members were generally concerned about the increasing cost of the program. Significant cost reductions would be required to achieve the President's level of reductions in spending as included by Congress in reconciliation instructions. Members also wanted to tighten the administration of the program, eliminate provisions that have led to abuse, and strengthen penalties on those who abuse the program.

The Committee bill increased the fiscal year 1981 authorization of appropriations for the food stamp program, authorized appropriations, with limits, through 1985, and made substantial changes in the Food Stamp Act of 1977 to ensure that future funding needs will be reduced and that greater control will be exercised over eligibility for food stamps.

Some of the major provisions in the bill included a single set of gross income eligibility limits (except for the elderly); delays and changes in the timing of the inflation adjustments in the cost of the thrifty food plan; reduction in the earned income deduction; a requirement that the States by October 1, 1983, institute a system of retrospective accounting for purposes of determining income for eligibility purposes; repeal of liberalizations of the limits on how much a household may deduct from its income for food stamp purposes if it has medical or depedent-care expenses; denial of eligibility to households with members on strike unless the household was eligible prior to the strike; allowing States and localities to establish workfare programs under which food stamp work registrants could be required to perform public service work to retain food stamp eligibility; extension of the penalty of disqualification to include misrepresentation as well as fraud and lengthening disqualification periods; and improvement in the procedures for collection of overpayments.

(See the discussions of the Agriculture and Food Act of 1981 and the Omnibus Budget Reconciliation Act of 1981 for further descriptions of the changes in the Food Stamp Act of 1977.)

B. REGULATORY ISSUES

The Committee reviewed a number of regulatory programs and several laws were enacted making changes in these programs.

The Poultry Products Inspection Act was amended (P.L. 97-206) to allow small, family-sized turkey processors, who depend on seasonal

markets, to be exempt from bird-by-bird Federal inspection during slaughtering and processing. The law increases the number of turkeys that can be slaughtered and processed for commerce without Federal inspection, thus making the exemption for turkeys the same as that for other poultry.

The Potato Research and Promotion Act was amended (P.L. 97–244) to (1) expand the membership of the National Potato Promotion Board, which administers the program, to include representatives from the public; (2) authorize an increase in the rate of assessment levied on potatoes to fund the program; (3) provide for the Department of Agriculture to be reimbursed for all referendum and administrative costs incurred in connection with the program; (4) provide authority for the Secretary to enforce the provisions of the potato promotion plan and the regulations thereunder through warning notices and through administrative civil penalties and cease and desist orders; (5) delete authority for the Secretary to initiate criminal prosecutions for violations of the plan; and (6) provide that the existing plan will remain in effect in the event a referendum fails to approve any proposed amendments to the plan.

Public Law 97–312 amends the Agricultural Adjustment Act to require that table grapes imported into the United States during the time that a Federal marketing order is in effect for table grapes meet the same standards for grade, size, quality, and maturity as are applicable to domestic table grapes subject to the market order.

Public Law 97–325 authorizes the Secretary of Agriculture to implement the agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be Used for Such Carriage (ATP) through the establishment of a program for the inspection, testing, and certification of the special transportation equipment used by United States companies in transporting perishable foodstuffs in international commerce.

The Perishable Agricultural Commodities Act, which is designed to suppress unfair and fraudulent practices in the marketing of fresh and frozen fruits and vegetables by establishing a code of fair trading in the marketplace and aid in the enforcement of contracts for marketing these commodities, was amended to require the Secretary of Agriculture to accept the payment of monetary penalties for misrepresentation violations which relate to mark, label, and stencil, provided they are not flagrant violations (P.L. 97–352). The law also requires U.S. residents asserting a claim assigned by a nonresident to post a bond as required if the claim were asserted in the name of the nonresident.

Public Law 97–439 amends the Federal Seed Act to eliminate certain obsolete provisions of that Act, clarify other provisions, and make technical changes to eliminate undue burdens and expense on both the seed industry and the Federal Government.

In the case of animal and plant quarantine laws that are established to prevent the introduction into and the dissemination within the United States of livestock and poultry diseases, plant diseases, and plant pests, Public Law 97–46 gives the Secretary of Agriculture additional authority to transfer funds within the Department to meet animal or plant disease emergencies; Public Law 97–312 authorizes certain U.S. Department of Agriculture animal health technicians

charged with the enforcement of animal quarantine laws, and whose duty area has a high potential for danger and violence, to carry firearms for self-protection; Public Law 97–432 deletes requirements for public hearings before the Secretary of Agriculture may promulgate certain regulations under the Plant Quarantine Act of August 20, 1912; and Public Law 97–461 expands the scope of sanctions for violation of certain animal and plant quarantine laws by conforming the criminal penalties to a greater degree and providing for the imposition of civil penalties for violations of these laws and the rules and regulations promulgated thereunder.

The Committee spent considerable time reviewing the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) and reviewing legislation to streamline the complex regulatory program for agricultural chemicals under that Act. The Committee reported a major revision of that Act to the Senate (H.R. 5203), but due to the press of other business it was not considered by the full Senate.

In order to stimulate competition necessary to maintain the free enterprise system in the agricultural chemical industry, to encourage investment in necessary research and development activity, and to speed up the registration process without endangering the health and safety of the population, the Committee-reported bill would have extended the basic period for exclusive use for some types of registration data filed with the Environmental Protection Agency (EPA), terminated EPA's policy of requiring registration applicants to cite all related data already contained in EPA's files, and phased out current authority for registrants to use data submitted by other companies if compensation for the use is paid.

To reduce the flow of valuable commercial data generated by registrants from EPA's files to both foreign and domestic competitors, the bill would have retained the current ban on release of trade secret information by EPA, allowed the release to the public of all health and safety data (subject to reasonable conditions on further copying, publication, and transfer of the data by persons who receive it), prohibited EPA from releasing any information to pesticide producers, and authorized enforcement of the data disclosure provisions.

The bill also would have continued the authority of States to regulate the sale and use of pesticides, established time limits for the processing of applications by States, extended the term of the scientific advisory panel of the EPA for 10 years and reauthorized the FIFRA program for 2 years.

C. FORESTRY AND SOIL CONSERVATION

In addition to the Omnibus Budget Reconciliation Act of 1981 which set ceilings on authorizations for various Forest Service activities, the Committee took a number of other actions in the forestry area.

In order to provide a more expeditious method of resolving land disputes involving small amounts of national forest lands, Public Law 97–465 authorizes the Secretary of Agriculture to convey by quitclaim deed certain small parcels of national forest system lands (except wilderness) the sale or exchange of which is not practicable under any other authority of the Secretary. The lands which may be conveyed

through sale, exchange, or interchange would be (1) parcels of 40 acres or less which are interspersed with or adjacent to mineral patents; (2) parcels of 10 acres or less which are innocently encroached upon by persons who relied in good faith on an erroneous survey or other land description; and (3) road rights of way no longer needed by the United States. Parcels that may be conveyed under the bill could not exceed $150,000 in value.

Three bills were enacted (Public Laws 97–238, 97–302, and 97–311) providing for the release of reversionary interests of the United States in certain small parcels of land that had been conveyed to States under the Bankhead-Jones Farm Tenant Act. The release of these interests permitted the States to convey the parcels for cemetery or other worth-while purposes.

In addition to including soil conservation measures in the Agriculture and Food Act of 1981, the Committee held oversight hearings on the Administration's recommendations for a comprehensive soil and water resources conservation program, modifications in soil and water conservation policy, and soil conservation problems of newly cultivated lands.

D. CREDIT AND RURAL DEVELOPMENT

As mentioned previously, both the Agriculture and Food Act of 1981 and the Omnibus Budget Reconciliation Act of 1981 contained a number of provisions relating to the credit programs of the Farmers Home Administration and the Rural Electrification Administration of the Department of Agriculture. In addition, the Committee reported legislation establishing lending levels for the major farm and rural community lending programs of the Farmers Home Administration for fiscal years 1983, 1984, and 1985 (S. 2314). This bill was not considered by the full Senate.

The bill as reported would have established lending levels for waste disposal and community facility loans, business and industry loans, real estate and farm operating loans, and emergency disaster loans. The bill also would have established an intermediate rate of interest for water and waste facility loans, tightened the business and industry loan program and targeted it to areas of economic distress and high unemployment, and targeted at least 15 percent of the insured farm ownership and farm operating loans to low-income, limited resource borrowers. Also, the Committee bill directed that studies be conducted in three areas which may prove helpful in the administration of FmHA programs: the use of futures and options trading by borrowers, the use of on-site water treatment for rural areas and the use of variable interest rates for FmHA loans.

The Committee also considered and reported another bill (S. 2960) which would have extended the economic emergency loan program for farmers, made certain revisions in that program, and required the Secretary of Agriculture under certain conditions to defer repayment of FmHA farm related loans for 1 year and forego foreclosure of such loans. This bill was not considered by the full Senate.

Appropriate subcommittees also held oversight hearings on agricultural and rural energy needs and the bidding, purchasing and election procedures of the Rural Electrification Administration.

E. NUTRITION PROGRAMS

The Committee carries out continuing review of human nutrition programs, including the national school lunch and other child feeding programs and the food stamp program. As discussed previously, a number of changes in these programs have been enacted into law.

In addition to the hearings conducted on these legislative measures, the Committee and its nutrition subcommittee have conducted oversight hearings on nutrition problems of the elderly and the operation of the Federal nutrition programs.

F. EXPORT TRADE ISSUES

Throughout the 97th Congress, the Committee emphasized the importance of increased agricultural exports in a free trade environment through a continuing series of hearings both by the full Committee and by the Subcommittee on Foreign Agricultural Policy. These hearings were the basis for much of the agricultural trade-related legislation included in laws discussed previously.

Subcommittee hearings were held on U.S. access to the European Economic Community and to the Japanese markets. These hearings documented the trade practices, such as export subsidies and restrictive quotas, which the EEC and Japan engage in at the expense of the United States. Subcommittee hearings were also held on the potential benefits of increased exports of processed and value-added commodities. These hearings revealed the damage to American economic interests of unfair trade practices by our competitors. Following the November 1982 meeting of the GATT ministerial conference (General Agreement on Tariffs and Trade), the Committee held a hearing on the failure of the conference to address some of the pressing concerns of the U.S. agricultural community.

Hearings were also held on the cargo preference laws as they relate to Public Law 480, the economic impact of agricultural embargoes, the financial integrity of the Commodity Credit Corporation and Polish and other Soviet bloc debt, and the proposed eligibility of the People's Republic of China for participation in the Food for Peace Program.

G. PAYMENT-IN-KIND PROGRAM

Late in the Second Session of the 97th Congress, the Committee developed legislation (S. 3074) to give the Secretary of Agriculture specific authority to carry out a payment-in-kind land conservation program for the 1983 and 1984 crops. The purpose of the program was to provide farmers assistance, to utilize market-depressing surpluses, and to reduce farm program costs. The bill was not considered by the full Senate.

Under S. 3074, as reported by the Committee, the Secretary of Agriculture would be given specific authority to implement a special payment-in-kind land conservation program under which the Secretary could make payments-in-kind available to farmers who divert acreage from production. Crops covered by the program included wheat, feed grains, upland cotton, rice, and other nonconserving crops designated by the Secretary, except peanuts, tobacco, sugar-

cane, and sugar beets. Under the payment-in-kind concept, a farmer could receive Government-owned commodities in return for reducing production of surplus crops.

The Committee reported bill also authorized the use of Commodity Credit Corporation stocks for export market development and expansion, with specific measures included to protect the domestic textile industry from being disadvantaged by any exports under such a program. In addition, the bill expanded current authority to donate dairy products to needy persons in foreign countries to include donations of other Commodity Credit Corporation stocks, authorized the use of such stocks under titles I and III of Public Law 480 in addition to levels programmed under that law, and allowed the Commodity Credit Corporation to sell extra long staple cotton to maintain and expand export and domestic markets for such cotton without regard to minimum resale price provisions.

H. WATERSHED PROJECTS

During the 97th Congress, the Committee approved 2 watershed projects pursuant to the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.). These were the Hoyle Creek, Oklahoma, project and the Tehachapi, California, project, both of which were approved December 15, 1982.

IV. Digest of Legislation Acted Upon by the Committee and Senate

A. BILLS ENACTED INTO LAW

Public Law 97–6 (S. 509)

Repeals section 201(d) of the Agricultural Act of 1949 which required an increase in the level of price support for milk on April 1, 1981. (Approved March 31, 1981.)

Public Law 97–11 (S. 730)

Amends section 516(a) of the Federal Crop Insurance Act to authorize the Federal Crop Insurance Corporation to use funds otherwise available for the payment of indemnities to pay administrative and operating expenses of the Corporation incurred during fiscal year 1981 in an amount not to exceed $14,000,000. (Approved May 22, 1981.)

Public Law 97–18 (H.R. 3991)

Amends the Food Stamp Act of 1977 to increase from $9,739,276,000 to $11,480,000,000, the authorization of appropriations for the food stamp program for fiscal year 1981, and to continue, through August 1, 1981, the cash-out of food stamp program benefits to certain recipients of supplemental security income. (Approved June 30, 1981.)

Public Law 97–24 (S. 1395)

Amends section 336 of the Agricultural Adjustment Act of 1938 to extend to October 15, 1981, the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1982. Also amends section 110(b) of the Agricultural Act of 1949 to delete the requirement that the Secretary of Agriculture waive the interest on loans made on 1980 and 1981

crops of wheat and feed grains placed in the farmed-held grain reserve. (Approved July 23, 1981.)

Public Law 97–35 (Omnibus Budget Reconciliation Act of 1981; H.R. 3982)

Matters within the jurisdiction of the Committee are as follows:

Food stamp program.—The Act—

Prevents artificially splitting households by requiring nonelderly parents and their children to apply as one food stamp household and making "informal" boarders ineligible as separate households;

Delays and changes the timing of the annual adjustments in the cost of the thrifty food plan, the standard deduction, and the ceiling on dependent care/excess shelter expense deductions;

Establishes gross income eligibility limits at 130 percent of the applicable Federal poverty line except for households with elderly or disabled members;

Reduces the earned income deduction from 20 to 18 percent of earnings;

Requires retrospective accounting and periodic reporting in the determination of eligibility and benefit determinations by all States by October 1, 1983;

Denies eligibility for food stamps to households with a member on strike unless the member is exempt from work registration or the household was eligible prior to the strike;

Prorates the amount of a household's initial allotment based on the days remaining in the month of application;

Prohibits Federal funding of food stamp outreach activities;

Extends the penalty of disqualification to include misrepresentation as well as fraud and lengthens disqualification periods;

Provides improved procedures for collection of overpayments and allows States to retain 25 percent of certain overissuances;

Repeals provisions scheduled to take effect in fiscal year 1982 creating a separate deduction for dependent care expenses of up to $90 per month and lowering the threshold above which medical expenses are deductible from $35 to $25 per month; and

Effective July 1, 1982, removes references to Puerto Rico in the present law and provides a block grant for food assistance to Puerto Rico of up to $825 million per year.

Authorization and personnel ceilings.—The Act—

Establishes ceilings on the amount of appropriations at the specified levels for each of the following programs of the Department of Agriculture—

(1) for dairy and beekeeper indemnity programs at $200,000 for each of the fiscal years 1982–1984;

(2) for payments to States and possessions for marketing activities at $1,571,000 for fiscal year 1982, $1,651,000 for fiscal year 1983, and $1,723,000 for fiscal year 1984;

(3) for rural water and waste disposal grants at $154,900,000 for fiscal year 1982 and subsequent fiscal years;

(4) for rural community fire protection grants at $3.565,000 for fiscal year 1982, $3,821,000 for fiscal year 1983, and $4,038,000 for fiscal year 1984;

(5) for rural development planning grants at $4,767,000 for fiscal year 1982, $4,959,000 for fiscal year 1983, and $5,155,000 for fiscal year 1984;

(6) for grants for developing rural private business enterprises at $5,007,000 for fiscal year 1982, $5,280,000 for fiscal year 1983, and $5,553,000 for fiscal year 1984;

(7) for carrying out Soil Conservation Service programs at $588,875,000 for fiscal year 1982, $596,767,000 for fiscal year 1983, and $602,865,000 for fiscal year 1984;

(8) for carrying out the Agricultural Conservation Program at $201,325,000 for fiscal year 1982, $209,647,000 for fiscal year 1983, and $218,216,000 for fiscal year 1984;

(9) for carrying out the Forestry Incentives Program at $15,090,000 for fiscal year 1982, $16,913,000 for fiscal year 1983, and $18,314,000 for fiscal year 1984;

(10) for carrying out the Water Bank Program at $10,876,000 for fiscal year 1982, $10,854,000 for fiscal year 1983, and $10,813,000 for fiscal year 1984; and

(11) for carrying out the emergency conservation program at $10,069,000 for fiscal year 1982, $10,507,000 for fiscal year 1983, and $10,958,000 for fiscal year 1984;

Places a cap on appropriations for most Forest Service programs of $1,575,552,000 for fiscal year 1981, $1,498,000,000 for fiscal year 1982, $1,560,000,000 for fiscal year 1983, and $1,620,000,000 for fiscal year 1984, and prohibits the use of any of these funds for construction of the Bold Mountain road in the Siskiyou National Forest;

Places a cap on the amount of appropriations for the Secretary of Agriculture for biomass energy development at $460 million;

Limits authorized appropriations for all Public Law 480 programs to $1,304,836,000 for fiscal year 1982, $1,320,292,000 for fiscal year 1983, and $1,402,278,000 for fiscal year 1984; and

Establishes a personnel ceiling for the Department of Agriculture at 117,000 full-time equivalent staff years including overtime, for each of the fiscal years 1982–1984.

Dairy price supports.—The Act—

Requires that the price of milk be supported at a level between 75 and 90 percent of parity based on the projected level of purchases of surplus products by the Government for the marketing year. If inventory on hand at the end of the marketing year exceeds 500 million pounds of nonfat dry milk or 5.5 billion pounds milk equivalent of butter or cheese, the support price for the next marketing year would be fixed at the minimum level indicated on a sliding scale. Semiannual adjustments would be required during the period beginning October 1, 1982, through September 30, 1985, unless Government purchases exceed 5.5 billion pounds milk equivalent (butterfat basis) or 500 million pounds nonfat dry milk, in which case semiannual adjustments would only be made if necessary to prevent the support price from falling below 75 percent of parity.

Storage facility loans.—The Act makes farm storage facility loans discretionary.

CCC administrative expenses.—The Act limits Commodity Credit Corporation administrative expenses in fiscal year 1982 to $52 million.

Commodity inspection fees.—The Act—

Requires collection of fees for cotton classing, standards, and related services furnished under authority of the Cotton Statistics and Estimates Act, the United States Cotton Standards Act, and the United States Cotton Futures Act;

Requires collection of fees for inspection, grading, and standardization services furnished under authority of the Tobacco Inspection Act and the Naval Stores Act;

Requires collection of fees for inspection, examination and licensing of warehouses under the United States Warehouse Act; and

Requires collection of fees to cover the costs of the Federal Grain Inspection Service in providing official inspection and weighing of grain, including supervision of inspection and weighing by official agencies, and limits total administrative and supervisory costs for inspection and weighing (excluding standardization, compliance and foreign monitoring activities) for fiscal years 1982 through 1984 to 35 percent of the total costs for such activities by the Federal Grain Inspection Service.

Farmers Home Administration programs.—The Act—

Authorizes insured community facility loans of $130 million and insured water and waste disposal loans of $300 million for fiscal year 1982, and increases the current 5 percent interest rate for these loans to a rate set by the Secretary not to exceed the interest rate on comparable municipal bonds, except that the rate of interest shall not exceed 5 percent for any loans for upgrading or construction of facilities to meet health or sanitary requirements in certain low income areas;

Authorizes insured farm operating loans of $1.325 billion and insured farm ownership loans of $700 million for fiscal year 1982, and provides that at least 20 percent of the total amount of these loans must go to low-income, limited resource borrowers. Interest rates for farm ownership loans to low-income, limited resource borrowers would be set at not more than one-half of the cost of money to the Government nor less than 5 percent, and for farm operating loans to such borrowers at the cost of money to the Government less 3 percentage points;

Sets interest rates on various FmHA loans (other than guaranteed loans) for activities that involve the use of prime farmland at 2 percent above the rates that would otherwise be applicable;

Requires the Secretary to make emergency (disaster) loans available to applicants seeking assistance based on production losses due to a disaster if the applicant's farming, ranching, or aquaculture operation has sustained at least a 30 percent loss of normal per acre or per animal production. Loans would be made available based on 80 percent of the total calculated production loss sustained by the applicant;

Limits emergency loans to the amounts provided in advance in appropriations Acts;

Continues discretionary authority to make emergency loans to credit-worthy borrowers but authorizes interest rates on these loans at the prevailing private market rate for similar loans; and

Increases from 5 to 8 percent the ceiling on interest rates for emergency loans for actual loss to borrowers who cannot obtain credit elsewhere.

Rural Electrification Administration programs.—The Act—

Establishes the interest rate for insured electric and telephone loans under the Rural Electrification Act (REA) at 5 percent, but with authority to provide loans at a rate of not less than 2 percent when the borrower is experiencing extreme financial hardship or cannot provide service consistent with the objectives of the Act; and

Requires the Federal Financing Bank on the request of an REA borrower to make a loan which will be guaranteed by the REA.

School lunch and child nutrition programs.—The Act—

Reduces the total cash reimbursement rate for free lunches to 109.25 cents, adjusted annually for inflation beginning July 1, 1982, except that in schools in which more than 60 percent of the lunches were served free or at a reduced price during the second preceding school year the cash reimbursement rate for free lunches would be 2 cents above that amount;

Reduces the cash reimbursement rate for reduced-price lunches to 40 cents less that for free lunches;

Reduces the cash reimbursement rate for paid lunches to 10.5 cents, adjusted annually for inflation beginning July 1, 1982, except that in schools in which 60 percent or more of the lunches were served free or at reduced price during the second preceding school year, the cash reimbursement rate for paid meals would be 2 cents above that;

Reduces the commodity reimbursement rate for all lunches (free, reduced-price, and paid) to 11 cents, adjusted annually for inflation beginning July 1, 1982;

Reduces the reimbursement rate for paid breakfasts to 8.25 cents, and sets the rate for free breakfasts at 57 cents. Reduced-price breakfasts would be reimbursed at half that amount, and all rates would be adjusted annually for inflation beginning July 1, 1982;

Limits "severe need" breakfast funding to only those schools in which, during the second preceding school year, a minimum of 40 percent of the lunches were served free or at a reduced price, and for which the rate is insufficient to cover the costs. Those schools required by State law to operate a breakfast program would continue their special eligibility only until July 1, 1983, in cases in which the State legislature meets annually, and July 1, 1984, if the legislature meets biennally;

Instructs the Secretary to review and prescribe changes in regulations governing child nutrition programs within 90 days of enactment of the bill, in order to achieve local costs savings without endangering the nutritional integrity of the meals;

Establishes eligibility for free meals at 130 percent of the OMB income poverty guidelines until June 30, 1983, when eligibility would become the same as food stamp gross income limits. Eligibility for reduced-price meals would be lowered to 185 percent of poverty. In both cases, eligibility would be based on current income;

Requires that application forms for free and reduced-price meals contain only the family size income eligibility levels for reduced-price meals;

Allows the Secretary, State and local school authorities to seek verification of data submitted on applications for free and reduced-price meals. In addition, the Act requires local school authorities to

undertake any other such verification as the Secretary may prescribe and requires documentation of income or documentation of participation in the food stamp program as well as Social Security numbers of all adult household members;

Requires the Secretary to conduct a pilot study verifying data on a sample of applications;

Requires that State matching revenues equal at least 30 percent of all general cash reimbursement funds for the school lunch program made available in the school year beginning July 1, 1980;

Terminates the food service equipment assistance program;

Reduces the authorization for nutritional education and training to 5 million;

Eliminates the special milk program except in schools which do not participate in any other meal program;

Excludes from the definition of "school" those private schools with average annual tuitions above $1,500;

Limits sponsorship of the summer food service program to public or private nonprofit school food authorities, local, municipal or county governments, and residential nonprofit summer camps. Programs sponsored by local, municipal, or county governments must be operated directly by these local entities. The program would, in addition, be restricted to areas in which at least 50 percent of the children meet the income eligibility criteria for free and reduced-price school lunches;

Limits participation in the child care food program to children 12 years of age or younger, except for migrants who would remain eligible until age 15, and the handicapped;

Requires that meal reimbursements for the child care food program be based only on each individual's income eligibility;

Makes only those "for-profit" child care institutions which receive title XX compensation for at least 25 percent of the participants eligible to participate in the child care food program;

Reduces the reimbursement factor for family day care home meals by 10 percent, as well as the reimbursement for day care home providers' administrative expenses. No reimbursement would be provided to children of providers with incomes above 185 percent of poverty;

Reimburses a maximum of two meals and one snack per child per day in the child care food program;

Prohibits the Secretary from directly administering any child nutrition program that the Secretary has not administered continuously since October 1, 1980, except in the case of nonpublic schools in States where the State educational agency is prohibited by law from administering the program;

Extends to children in elementary schools, when approved by the local school district or nonprofit private schools, the option not to accept foods they do not intend to consume;

Eliminates requirement for a State plan of child nutrition operations except for those plans required for State administrative expenses funding, nutrition education and training, summer food service, and WIC;

Makes "commodity only" schools eligible to receive donated commodities equal in value to the total of the general lunch cash reimbursement rate and the national average commodity assistance rate. Such schools would be required to serve meals meeting the nutritional stand-

ards set forth for the school lunch program, including fluid milk and components of each of the four basic food groups, and would be eligible to receive special assistance cash payments for free and reduced-price lunches;

Authorizes appropriations for the special supplemental food program (WIC) of $1,017 million for fiscal year 1982, $1,060 million for fiscal year 1983, and $1,126 million for fiscal year 1984; and

Eliminates cost based accounting requirements. (Approved August 13, 1981.)

Public Law 97–46 (H.R. 4416)

Authorizes the Secretary of Agriculture, in connection with emergencies that threaten any segment of the agricultural production industry, to transfer from other funds available to the agencies or corporations of the Department such sums as the Secretary deems necessary for the arrest and eradication of plant pests or contagious or infectious diseases of animals or poultry, and for expenses under certain other statutes. (Approved September 25, 1981.)

Public Law 97–62 (S. 1712)

Amends section 336 of the Agricultural Adjustment Act of 1938 to extend to November 15, 1981, the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1982. (Approved October 14, 1981.)

Public Law 97–67 (H.R. 4612)

Establishes the level of price support for milk at $13.10 per hundredweight for the period October 1 to November 15, 1981. Also amends section 336 of the Agricultural Adjustment Act of 1938 to extend to November 15, 1981, the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1982. (Approved October 20, 1981.)

Public Law 97–77 (S. 1322)

Designates the U.S. Department of Agriculture Boll Weevil Research Laboratory in Starkville, Mississippi as the Robey Harned Wentworth Laboratory; continues the level of price support for milk at $13.10 per hundredweight through the earlier of December 31, 1981, or enactment of S. 884, the Agriculture and Food Act of 1981; and amends sections 336 and 343 of the Agricultural Adjustment Act of 1938 to extend to January 1, 1982, the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1982, and to extend to the earlier of 30 days after adjournment sine die of the first session of the 97th Congress or January 1, 1982, the time for conducting the referendum with respect to the national marketing quota for cotton for the marketing year beginning August 1, 1982. (Approved November 13, 1981.)

Public Law 97–98 (Agriculture and Food Act of 1981; S. 884)

Dairy products.—The Act sets milk price supports at not less than $13.10 per hundred pounds for fiscal year 1982. For fiscal years 1983, 1984, and 1985, the minimums would be $13.25, $14.00, and $14.60, respectively. For any years in which purchases are projected at less than $1 billion, the minimum would be 70 percent of parity. The support floor would rise to 75 percent of parity if projected surplus pur-

chases are less than 4 billion pounds of milk in fiscal year 1983, 3.5 billion in fiscal 1984, and 2.69 billion for fiscal year 1985. The Act also directs the Secretary of Agriculture to report on the strengths and weaknesses of existing and possible new programs for controlling milk surpluses, including a review of the impact of Government programs on regional supplies. The Act also extends for another 4 years current authority to include seasonal base plans in milk marketing orders.

Wool and mohair.—The Act extends for 4 years the existing wool and mohair support program. The support level would be 77.5 percent of the rate determined under a formula contained in the National Wool Act of 1954.

Wheat.—The Act sets wheat target prices at not less than $4.05 per bushel for the 1982 crop (compared with $3.81 for 1981), and then at $4.30 for 1983, $4.45 for 1984, and $4.65 for 1985. Price support loan rates for the 1982–85 crops would be not less than $3.55 per bushel (compared with $3.20 for 1981). The Act authorizes the Secretary of Agriculture, in years when he determines that excessive surpluses are likely, to require that farmers who want price support would have to comply with either cropland set-aside or direct wheat acreage reduction programs. The Secretary would also be authorized to operate a paid acreage diversion program, but farmers could not be required to enter this progam as a condition of eligibility for price support. Beginning with 1982 crops, disaster payments would be mandatory only for producers who do not have Federal crop insurance available; but the Secretary would have discretion to make disaster payments to any wheat grower if disaster losses create an economic emergency which cannot be alleviated by crop insurance and other Federal assistance.

Feed grains.—The Act sets corn target prices at not less than $2.70 per bushel on the 1982 crop (compared with $2.40 for 1981), and then at $2.86 for 1983, $3.03 for 1984, and $3.18 for 1985. Price support loan rates for corn would be not less than $2.55 per bushel for the 1982–85 crops (compared with $2.40 in 1981). Provisions regarding set-aside or acreage limitation as a condition of price support, use of paid diversion programs, disaster payments and similar provisions are the same as those for wheat. The Secretary would be required to provide target price protection for grain sorghum and oats. Price support loans for grain sorghum, barley and oats would be set at "fair and reasonable" levels tied to the level for corn.

Grain reserves.—The Act requires the Secretary of Agriculture to continue the existing farmer-owned reserve program for wheat and feed grains, and requires him to set price support loans for grains placed in the 3-year reserve at not less than standard support rates in effect at the time the grain goes into reserve. The Secretary is given discretion to set terms under which grain may be withdrawn from the reserve by farmers without penalty, or under which he could encourage withdrawals by halting storage payments or raising interest rates. The Secretary is authorized to limit the size of the reserve, but the ceiling cannot be less than 700 million bushels of wheat and 1 billion bushels of feed grains. Whenever a reserve is in effect, USDA cannot sell any government-owned grain for less than 110 percent of the current "release price" level applying to farmer-owned reserves. Interest rates on price support loans for reserve grain must not be less than USDA's

cost of borrowing from the Treasury, but the Secretary is given authority to waive or adjust interest.

Cotton.—The Act continues the current price support program through the 1985 crop, with loan rates based on a percent of open market prices and a loan floor of 55 cents a pound. Target prices will be the higher of (a) 120 percent of the loan rate, or (b) 71 cents a pound for the 1982 crop, 76 cents for 1983, 81 cents for 1984, and 86 cents for 1985. The Secretary would be authorized to require a reduction in cotton acreage as a condition of eligibility for price support. Also, the support program for Extra Long Staple cotton would be revised to eliminate direct payments to growers. Paid diversion programs would be authorized, but could not be made a condition of eligibility for price support. Disaster payments would be authorized under the same conditions as for wheat, feed grains, and rice (see description in wheat section).

Rice.—The Act continues a program of price support loans and target prices for the 1982–85 crops, but it eliminates use of acreage allotments so that program benefits become available to all producers. The rice loan rate will continue to be 75 percent of the target. The Secretary will continue to have authority to reduce the loan rate if it threatens to interfere with exports, but he cannot go below $8 per hundred pounds. Targe prices will be not less than $10.85 per hundred pounds for 1982, $11.40 for 1983, $11.90 for 1984, and $12.40 for 1985. The Secretary would be authorized to require a reduction in rice acreage as a condition of eligibility for price support. Cross-compliance with other commodity programs as a condition of eligibility for price support would not be permitted. Paid acreage diversion programs would be authorized, but could not be made a condition of eligibility for support. Disaster payments would be authorized under the same conditions as for wheat, feed grains, and cotton.

Peanuts.—The Act eliminates the traditional peanut acreage allotment system, allowing producers without allotments to grow peanuts without restraint, but retains the farm poundage quota system. The total national poundage quota would be reduced in 1982 to a minimum of 1.2 million tons, and would be dropped further to 1.1673 million tons in 1983, 1.1347 million tons in 1984, and 1.100 million tons for the 1985 crop. The Secretary would be directed to apply quota cuts, as far as practicable, to quota holders who have not produced peanuts in recent years. Price support for quota peanuts grown within the farm poundage quota would be set at a minimum of $550 per ton for the 1982–85 crops, with annual increases beginning in 1983 to reflect increases in production costs (but with a 6 percent limit on each annual adjustment). Support for non-quota peanuts would be set by the Secretary, based generally on world market conditions and fixed at a rate which would avoid any net cost to the Government.

Soybeans.—Price support loan rates for the 1982–85 crops will be set at 75 percent of the 5-year national average price received by farmers with a floor of $5.02 a bushel. No production adjustment, cross-compliance requirements or reserve programs would be permitted.

Sugar.—The Act sets up a 4-year support program with support loan rates of 17 cents a pound on raw sugar for the 1982 crop, 17.50 cents a pound for 1983, 17.75 cents a pound for 1984, and 18 cents a

pound for 1985. Between the date of enactment and October 1, 1982, when price support loans will go into effect, the Department of Agriculture will be required to support the price of sugar through purchases of sugar processed between the enactment date and March 30, 1982, at a rate of 16.75 cents a pound.

Export and embargo protection; Public Law 480.—The Act requires the Secretary of Agriculture to compensate farmers whose products are affected by any future "selective" embargo on exports of agricultural products. The new protection would be effective in an embargo that does not cover all U.S. exports to the affected country and where the embargoed country purchases more than 3 percent of total U.S. exports of the affected commodity. Compensation to farmers would be provided by either or both of (a) direct payments based on the difference between post-embargo market prices and 100 percent of parity, or (b) an increase in the price support loan rate for the affected commodity to 100 percent of parity. The Act also creates an Agricultural Export Credit Revolving Fund. Loans from the fund, made on commercial-style terms by the USDA, would be designed to expand farm exports. The Act also gives USDA discretionary power to formulate a standby export subsidy program which could be used, if found necessary by the President, to offset subsidies paid by other countries. Another section encourages the President to consult with appropriate Congressional committees before entering into bilateral agreements on exports of farm products. The Administration is encouraged to consult with other major grain exporting nations on promoting more orderly marketing and higher prices. Additionally, the Act extends for 4 years authority for P.L. 480, the Food for Peace program, adding provisions designed to further encourage self-help steps by nations receiving aid.

Miscellaneous.—The Act contains a provision setting inspection and testing requirements designed to make sure that imported meat and meat products comply with U.S. standards. Under the legislation, the Secretary of Agriculture is directed to enforce compliance with U.S. standards by (1) random inspections of imported meat and meat products to check for residues and to verify the species (beef, pork, etc.) of the product, and (2) random sampling and testing of internal organs and fat (carried out at the foreign slaughterhouse by the exporting country under methods approved by the U.S. Secretary of Agriculture) to check for chemical residues.

The Act provides discretionary authority to the Secretary of Agriculture to provide emergency feed aid to poultry producers hit by natural disaster.

The Act expresses the intent of Congress that the tobacco support program without cost to the taxpayer except for incidental administrative expenses. The Secretary of Agriculture is directed to take whatever steps toward this goal, are possible within existing law by January 1982, and to advise Congress by January 1982, of any legislative changes he recommends for reaching the goal. Also, the Act revises a portion of the law dealing with the production of types of tobacco which are not subject to marketing quotas. The effect of the change is to provide that Maryland-type tobacco will be charged against farm quotas when grown in areas where quotas for types like Flue-cured and Burley tobacco are in effect.

The Act gives the Secretary new powers to act swiftly to meet "extraordinary emergency" outbreaks of plant pests if he finds that actions taken by a State are not adequate. In such cases, the Secretary would have discretion to pay compensation for losses incurred as a result of Federal pest control action.

USDA would be authorized to allow some State grain inspection agencies to perform inspection and weighing of grain at export port locations. Under this provision, any State agency that conducted export inspections of grain at any time prior to July 1, 1976, and is currently, at the time of enactment of the Act, designated to perform official grain inspections at locations other than export ports will be eligible for this additional inspection authority if it operates in a State where grain exports from the State are less than 5 percent of the national total.

The Act creates an 11-member board, including 7 agricultural producers, to review USDA methods of estimating farm production costs and to make recommendations about these estimates to the Secretary.

The Act requires that surplus commodities such as dairy products acquired by the Government under price support programs, beyond amounts needed for sales and other donations, be donated to nutrition programs for the elderly and children and to local food bank projects which were authorized by a 1980 law to aid needy people.

Research, extension, and teaching.—The Act extends through fiscal year 1985 the authorization of appropriations for research, extension and teaching aimed at continued gains in the productivity of the agricultural sector. The legislation also provides for strengthening the research and extension partnership between the Department of Agriculture and the Nation's land-grant colleges and universities. It also expands the scope of activities to include aquaculture and rangeland management. Other provisions provide for an additional Assistant Secretary of Agriculture for research, extension, and teaching; include authorization for additional research and extension activities concentrating on rural development and small farm problems; establish a Soybean Research Advisory Institute within USDA; require that the Secretary of Agriculture include, in a regular annual report due January 1, 1984, a long-term need assessment for food, fiber and forest products; and direct the Secretaries of Agriculture and Health and Human Services to report within 180 days on plans for a human nutrition research and information management system.

Credit, rural development and family farms.—The Act extends for 1 year authority for conducting the Farmers Home Administration's economic emergency loan program with a $600 million limit on guaranteed and insured loans during the extension. The Act also continues for 10 years an authorization for Federal stock purchases in the Rural Telephone Bank. The Act authorizes FmHA to make operating and ownership loans to small farm production co-ops, and removes obstacles to FmHA loans to unmarried persons. Also, the Act requires the Secretary to make farm storage facility loans available in storage-deficient areas. Further, it contains a policy statement supporting the family farm system and requiring an annual USDA report on family farm operations.

Conservation.—The Act authorizes a new "Special Areas Conservation Program" to identify geographic areas which suffer special, chronic erosion problems and to focus financial assistance on those areas. Also, the Act authorizes matching Federal grants to local governments for conservation; authorizes (subject to separate, later action on appropriation bills) USDA loans to farmers for conservation work; and authorizes a test of the feasibility of reducing excessive sedimentation in existing reservoirs. Also, the legislation gives the Secretary authority to accept volunteers in USDA conservation, resource and other programs; authority to use Soil Conservation Service personnel and equipment to help local authorities in search and rescue operations in emergencies; and authority for experimental projects to improve water quality in surface-minded areas. The Act further establishes a Farmland Protection Policy Act aimed at minimizing the impact of Federal actions on conversion of agricultural land to other uses. Finally, the Act provides a legislative base for the Resource Conservation and Development program to aid states, localities and nonprofit agencies in dealing with local resource problems.

Food stamp and commodity distribution.—The Act extends appropriation authority for the food stamp program for 1 fiscal year with a spending cap of $11.3 billion in fiscal 1982. To further cut costs, a scheduled April 1, 1982, cost-of-living adjustment in food stamp allotments would be postponed to October 1, 1982. Other provisions include: approval of some law enforcement powers for a limited number of designated USDA investigators who are responsible for food stamp felony violation cases; approval of additional penalties for food stamp fraud and increased incentives to States to reduce errors; agreement that some local and State energy assistance payments to the needy (those which are not clearly paid for energy assistance on a seasonal basis) will in the future be counted as "income," thus reducing the recipients' eligibility for food stamps; permission for localities nationwide to adopt, if they wish, "workfare" programs under which some able-bodied food stamp recipients are required to perform public service work in return for their stamps; and approval of pilot projects for monitoring the nutritional status of needy people.

Floral research and consumer education.—The Act establishes a program of research and consumer information for the flower and plant industry. Following hearings, the Secretary of Agriculture would issue an order subject to approval in a referendum establishing the Floraboard and providing for an assessment on flowers and plants sold to fund the program. The Floraboard will be composed of flower and plant producers and importers appointed by the Secretary. Assessments would be refunded at the request of a producer or importer, and any producer or importer whose total sales of flowers and plants do not exceed $100,000 during the year prior to the date of an assessment would be exempt from the program. (Approved December 22, 1981.)

Public Law 97-111 (S. 1948)

Permits regulations issued by the Farm Credit Administration expanding the authority of financing institutions, other than farm credit system institutions, to borrow from and discount with the Federal intermediate credit banks to become effective upon enactment, notwith-

standing the legislative veto provisions of the Farm Credit Act of 1971. (Approved December 26, 1981.)

Public Law 97–113 (Internatinal Security and Development Cooperation Act of 1981; S. 1196

With respect to provisions within the jurisdiction of the Committee, amends the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) to repeal obsolete provisions relating to sales for foreign currencies; increases from $5 million to $10 million the annual limit on the use of foreign currencies generated under title I of Public Law 480 to meet emergency nonfood relief requirements; adds provisions to title I to strengthen the self-help measures that countries receiving title I financing must agree to undertake to increase agricultural production (including efforts to reduce illiteracy among, and improve the health of, the rural poor) so as to benefit needy people in such countries; and reduces the amount (from 1.4 to 1.2 million metric tons) of agricultural commodities that must be distributed under title II each year through noprofit voluntary agencies and the World Food Program and makes this amount applicable to nonemergency programs. (Approved December 29, 1981.)

Public Law 97–206 (H.R. 3863)

Amends the Poultry Products Inspection Act to (1) increase from 5,000 to 20,000 the maximum number of turkeys which may be slaughtered and processed annually without bird-by-bird inspection under the Act for certain categories, (2) limit the foregoing exemption to a facility not used by another for slaughtering or processing poultry products, and (3) increase from 250 to 1,000 the maximum number of turkeys that may be slaughtered annually without bird-by-bird inspection by a producer with respect to poultry raised on the producer's farm under certain conditions.

Public Law 97–218 (No Net Cost Tobacco Program Act of 1982; H.R. 6590)

(1) With respect to 1982 and subsequent crops of tobacco—Requires each association to which the Commodity Credit Corporation makes price support loans to establish a capital account to consist of contributions made by producers and, with respect to the association handling Flue-cured tobacco, by those who for the 1983 and subsequent crops lease allotments or quotas to other persons, to be used exclusively to achieve the operation of the tobacco price support program at no net cost to the taxpayer, other than administrative costs common to the operation of support programs for all commodities;

Requires producers, as a condition of eligibility for price support, to make contributions, with respect to all quota tobacco marketed by them from a farm, to the fund of the association and, for the 1983 and subsequent crops, requires producers of Burley tobacco, as a condition of price support eligibility, to agree to make contributions in each marketing year of any 3-year period in which marketing quotas are in effect;

Provides that the contributions shall be made in amounts determined by the association and approved by the Secretary, and directs that such approval may be given only if the proposed amounts of

contributions will result in a fund sufficient to reimburse CCC for its losses on tobacco pledged by the association;

Provides that any net gains from the sale of any crop of loan collateral tobacco of an association will be retained by CCC for (a) application against any losses it sustains on other crops of the association's loan tobacco, or (b) reducing outstanding balances on any loans made to the association;

Authorizes the Secretary to reduce the support rate that would otherwise apply to any eligible grade of any kind of tobacco that is in excess supply, so long as the support rates for all eligible grades of a kind of tobacco average out to a level that reflects not less than 65 percent of any increase in the support level otherwise required by law; and

Makes the marketing of any kind of tobacco that is not eligible for price support because a producer has not agreed to make contributions to the applicable fund, subject to the same penalty as for marketing tobacco from a farm in excess of the marketing quota.

(2) With respect only to Flue-cured tobacco—

Prohibits fall leasing of allotments or quotas, except in the case of natural disasters;

Requires that agreements for the lease of allotments or quotas be exclusively between the lessor and the lessee;

Limits the total allotment for any farm, after transfer thereto of allotment by lease or sale, to 50 percent of the acreage of tillable cropland on the farm;

Permits the sale of allotments or quotas, but only to persons who are active tobacco producers within the same county;

Requires any person who purchases an allotment or quota and fails to share in the risk of producing tobacco to sell the allotment or quota within 18 months from July 1 of the year the crop is planted, or forfeit the allotment or quota;

Requires entities, such as governments, public utilities, and educational or religious institutions (but not individuals) that are not significantly involved in the management or use of land for agricultural purposes, to sell their tobacco allotments or quotas by December 1, 1983, or forfeit them;

Requires any person (including an entity) to sell by December 1, 1983, any allotment that exceeds 50 percent of the farm's tillage cropland, or forfeit the allotment;

In 1983, and at 5-year intervals thereafter, requires adjustment of the national average yield goal for Flue-cured tobacco to the past 5 years' moving national average yield; and

Exempts, from the provision of law requiring that nonquota tobacco of any kind grown in quota areas be subject to quotas, nonquota tobacco produced in a quota area in which the total acreage allotments for quota tobacco are less than 20 acres.

(3) With respect to all kinds of tobacco, except Flue-cured—

Requires the Secretary, at the request of a marketing association, and authorizes the Secretary, upon determining the capital fund established by an association will be inadequate to cover the CCC's losses to continue to make price support available through the association and to establish a separate account within CCC to consist of marketing assessments paid by producers of tobacco. The account

would supplant the capital account established by an association and would be used exclusively to ensure that CCC suffers no loss in carrying out its loan agreements with the association;

If an account is established, requires producers of tobacco, as a condition of eligibility for price support, to pay to CCC, with respect to all tobacco marketed by them, marketing assessments for deposit in the account;

Provides that the marketing assessments shall be determined by the Secretary, and adjusted from time to time, in consultation with an association. The assessments are to be in an amount sufficient to maintain an account adequate to reimburse CCC for any losses that may be suffered under its loan agreements with the association;

Provides for collection of the assessments from the person who acquires the tobacco or from a warehouseman or agent through whom tobacco is marketed;

Requires entities such as governments, public utilities, and educational or religious institutions (but not individuals) which are not significantly involved in the management or use of land for agricultural purposes, to sell their Burley tobacco marketing quotas to an active Burley tobacco producer by December 1, 1983, or forfeit them;

Requires a person who purchases a Burley tobacco marketing quota and fails to share in the risk of producing Burley tobacco for 5 years after the purchase to sell the quota within 18 months from July 1 of the year the crop is planted, or forfeit the quota;

Provides that in 1983, and in subsequent years as the Secretary determines there may be sufficient interest, but not more frequently than every 3 years, producers of dark air-cured tobacco (types 35 and 36) and fire-cured tobacco (types 22 and 23) be given the opportunity in a referendum to choose whether they favor or oppose establishment of farm marketing quotas on a poundage basis (instead of an acreage allotment basis). If more than 50 percent of those voting in the referendum favor a poundage control program, marketing quotas would be established on a poundage basis for the next 3 marketing years, and

Increases from 15,000 to 30,000 pounds the maximum amount of Burley tobacco poundage quota that may be leased and transferred to any farm.

(4) Imposes penalties on marketings of floor sweepings in excess of allowable limits.

(5) Expresses the sense of Congress that the President should resume negotiations with the Soviet Union for extending the long-term grain sales agreement and that the Secretary of Agriculture should ensure the preservation and strengthening of the agricultural stabilization and conservation county and community committees. (Approved July 20, 1982.)

Public Law 97-238 (S. 2154)

Releases reversionary interest of the United States in a tract of approximately 1.5 acres in Christian County, Kentucky, thus enabling the State of Kentucky to convey the tract (part of a larger parcel which was conveyed to the State under the Bankhead-Jones Farm Tenant Act) to the Shy Flat Tabernacle Cemetery, Inc., for use in expanding the cemetery. (Approved August 20, 1982.)

Public Law 97-244 (Potato Research and Promotion Act Amendments of 1982; H.R. 2160)

Expands the membership of the National Potato Promotion Board, which administers the program, to include representatives from the public.

Authorizes an increase in the rate of assessment levied on potatoes to fund the program.

Provides for reimbursement to USDA for expenses incurred in administering the program.

Provides for a more efficient and speedy enforcement system by giving the Secretary of Agriculture authority to implement administrative remedies through warning notices, cease and desist orders and civil penalties.

Provides a safeguard to keep in force any existing plan, in the event a referendum fails to approve proposed amendments to any potato research and promotion plan. (Approved August 26, 1982.)

Public Law 97-253 (Omnibus Budget Reconciliation Act of 1982; H.R. 6955)

Matters within the jurisdiction of the Committee are as follows:

Dairy price supports.—The Act establishes for fiscal years 1983 and 1984 a minimum support price for milk of $13.10 per hundredweight and for fiscal year 1985 a minimum support price that represents the percentage of parity that $13.10 represents as of October 1, 1983. For fiscal years 1983 through 1985, authorizes the Secretary to provide for a deduction of 50 cents per hundredweight from the sale of all milk marketed commercially by producers to be remitted to the Commodity Credit Corporation (CCC) to offset a portion of the cost of the milk price support program and, for the period beginning April 1, 1983, through September 30, 1985, authorizes the Secretary to provide for an additional 50-cent per hundredweight deduction if the Secretary establishes a program whereby funds resulting from deductions will be refunded to producers who reduce their commercial marketings. The first 50-cent deduction may not be made in any fiscal year for which the Secretary estimates that purchases of milk, or the products of milk, will be less than 5 billion pounds of milk equivalent, and the second deduction may not be made if purchases will be less than 7.5 billion pounds.

Donation of dairy products.—The Act provides additional authority to CCC to dispose of dairy products acquired under the price support program to needy persons in the United States, including donations to meet the needs of persons receiving nutrition assistance under the Older Americans Act of 1965, and for assistance to needy persons abroad.

Advance deficiency payments.—The Act directs the Secretary to make advance deficiency payments for 1982 through 1983 crops of wheat, feed grains, upland cotton, and rice whenever an acreage limitation or set-aside is implemented by the Secretary, and authorizes the Secretary to make such payments for the 1984 and 1985 crops of wheat, feed grains, upland cotton, and rice.

Loan rates for wheat and feed grains.—The Act increases the minimum loan rate for 1983-crop wheat to $3.65 per bushel and for 1983-crop corn to $2.65 per bushel.

Wheat acreage reduction.—The Act—

Requires the Secretary to provide for an acreage limitation program for the 1983 crop of wheat under which acreage planted to wheat on the farm would be limited to the farm acreage base reduced by 15 percent and a paid diversion program under which such acreage would be reduced an additional 5 percent with participation in both programs being required as a condition of eligibility for program benefits.

Establishes a payment rate for participation in the diversion program of not less than $3 per bushel and authorizes the Secretary to reduce the rate up to 10 percent if such reduced rate would achieve the program objective.

Feed grain acreage reduction.—The Act—

Requires the Secretary to provide for an acreage limitation program for the 1983 crop of feed grains under which acreage planted to feed grains on the farm would be limited to the farm acreage base reduced by 10 percent and a paid diversion program under which such acreage would be reduced an additional 5 percent with participation in both programs being required as a condition of eligibility for program benefits.

Establishes a payment rate for participation in the diversion program of not less than $1.50 per bushel for corn and authorizes the Secretary to reduce the rate up to 10 percent if such reduced rate would achieve the program objective.

Rice acreage reduction.—The Act—

Requires the Secretary to provide for an acreage limitation program for the 1983 crop of rice under which acreage planted to rice on the farm would be limited to the farm acreage base reduced by 15 percent and a paid diversion program under which such acreage would be reduced an additional 5 percent with participation in both programs being required as a condition of eligibility for program benefits.

Establishes a payment rate for participation in the diversion program of not less than $3 per hundredweight and authorizes the Secretary to reduce the rate up to 10 percent if such reduced rate would achieve the program objective.

Acreage base.—The Act provides that the acreage base for the farm for the 1983 crop of wheat, feed grains and rice shall be the same as the acreage base for the 1982 crop adjusted as the Secretary determines fair and equitable.

Agricultural exports.—The Act directs the Secretary, for each of the fiscal years 1983 through 1985, to use not less than $175 million nor more than $190 million of CCC funds for export activities authorized to be carried out by the Secretary or CCC under current provisions of law.

Food stamp program.—The Act—

Requires that all parents and children or siblings who live together be treated as a single household unless one of the parents or siblings is elderly or disabled.

Provides that an individual who lives with others, is 60 years of age or older, and is unable to purchase food and prepare meals because of permanent disability, shall, together with spouse, be treated as a separate household if the gross income of the other persons does not exceed 165 percent of the poverty guideline.

Requires rounding dollar amounts down in making certain computations under the Act.

Revises the measurement periods to be used for each October's adjustment of the cost of the thrifty food plan.

Revises the income eligibility test for households without an elderly or disabled member to require that households, to be eligible, must have a net monthly income below 100 percent of the Federal poverty level and must meet the 130 percent of the poverty gross income test.

Coordinates, for program purposes, cost of living increases under other Federal programs.

Adds a definition of the term "elderly or disabled member" which includes certain disabled veterans and disabled surviving spouses and children of veterans and treats disabled veterans and disabled survivors of veterans in the same manner as disabled persons who receive supplemental security income benefits or who receive disability or blindness benefits under the Social Security Act.

Delays the July 1, 1983, adjustment of the standard deduction until October 1, 1983.

Authorizes use of standard utility allowances in certain circumstances in computing a household's excess shelter expense deduction.

Precludes the Secretary from waiving, in the case of migrant farm workers, the calculation of household income on a prospective basis.

Precludes the Secretary from changing the financial resources limitations in effect as of June 1, 1982, and requires savings or retirement accounts to be included in determining compliance with such limitations.

Permits States to consider as categorically eligible, for resource purposes, households in which all members receive aid to families with dependent children benefits and whose gross income does not exceed 130 percent of the poverty guidelines.

Makes various changes with regard to monthly reporting requirements to permit the States or the Secretary to waive the requirements in specified circumstances and to remove the requirement that the Secretary design or approve the forms used by the States for nonperiodic reporting of changes in household circumstances.

Prohibits the Secretary from requiring that States submit certain materials for prior approval, eliminates the requirement that States comply with Federal standards with regard to points and hours of certification and issuance, and makes certain changes with regard to authorized representatives.

Gives States the option to impose job search requirements on applicants as well as recipients, and revises certain provisions relating to those who voluntarily quit a job.

Eliminates exemption from work registration for parents of children when the parent is a member of a household in which there is another able-bodied parent subject to work requirements.

Deletes requirement for joint issuance of work registration regulations by the Secretaries of Agriculture and Labor.

Limits program participation by students with dependents to those with dependent children under age 6 (or with dependent children between ages 6 and 12 for whom adequate child care is not available) and students who are receiving benefits under aid to families with dependent children program.

Adjusts provisions relating to the prorating of benefits.

Prohibits increases in program benefits to households whose decreased income results from a penalty for failure to comply with other welfare laws.

Requires expedited service for households having gross incomes below $150 a month or with destitute migrant or seasonal farmworkers.

Requires States to establish a system to verify that no individual is receiving stamps in more than one jurisdiction and to verify annually that individuals who have been cashed out of the program are not receiving stamps.

Authorizes the Secretary to require States to use alternative issuance systems or to issue reusable documents as a part of an automatic data processing system.

Increases civil penalties for program violations by food stores, establishes the disqualification period for violations by such stores, and authorizes the Secretary to require bonds by stores which have committed such violations.

Revises provisions governing State liability for errors.

Authorizes four pilot projects to determine the effects of making nonexempt individuals ineligible to participate if they do not work 20 hours per week or participate in workfare.

Reauthorizes the program for fiscal years 1983 through 1985.

Requires that food assistance under the block grant program to Puerto Rico be made available in forms other than cash after fiscal year 1983.

Makes various revisions in the provisions for workfare. (Approved September 8, 1982.)

Public Law 97-302 (H.R. 3881)

Directs the Secretary of Agriculture to release the reversionary interest of the United States in a parcel of land which was conveyed to the Arkansas Forestry Commission under the Bankhead-Jones Farm Tenant Act. The release would, however, apply only with respect to lands covered by agreements to be entered into by the Secretary and the Commission containing prescribed conditions. Further, the Act provides for the conveyance to the Commission of mineral interests of the United States in a tract of 80 acres within such parcel under specified conditions. These transactions would enable the Commission to exchange the tract for other lands owned by a private party. (Approved October 13, 1982.)

Public Law 97-311 (H.R. 6422)

Releases reversionary interest of the United States in a tract of approximately one acre in Sterling, Connecticut, thus enabling the State of Connecticut to convey the tract (part of a larger parcel which was conveyed to the State under the Bankhead-Jones Farm Tenant Act) to the Ekonk Cemetery, Inc., for use in expanding the cemetery. (Approved October 14, 1982.)

Public Law 97-312 (H.R. 2035)

Authorizes certain Department of Agriculture animal health technicians charged with the enforcement of animal quarantine laws, and whose duty area has a high potential for danger and violence, to carry

firearms for self-protection. Also, the Act requires imported table grapes for marketing in the United States to meet the same minimum size, grade, quality and maturity standards applicable to domestic grapes under Federal marketing orders. (Approved October 14, 1982.)

Public Law 97–325 (H.R. 6164)

Authorizes the Secretary of Agriculture to implement the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be Used for such Carriage (ATP). Also, makes the present position of Assistant Secretary for Administration, a Presidential appointment, rather than a career service position. (Approved October 15, 1982.)

Public Law 97–352 (H.R. 6865)

Authorizes the Secretary of Agriculture to accept the payment of monetary penalties for certain admitted and infrequent violations of the Perishable Agricultural Commodities Act involving misrepresentation by marking, stenciling or labeling, and requires U.S. residents asserting a claim assigned by a nonresident to post a bond as required if the claim were asserted in the name of the nonresident. The Secretary may waive the bonding requirement if the claim originated in a country which permits the filings of a complaint by a U.S. resident without the furnishing of a bond. (Approved October 18, 1982.)

Public Law 97–358 (Surplus Agricultural Commodities Disposal Act of 1982; H.R. 6142)

Amends the Agricultural Act of 1949 to authorize the processing of excess stocks of agricultural commodities of the Commodity Credit Corporation into liquid fuels and byproducts, and the disposition of the fuels by making them available to Federal agencies or by sale in commercial markets. (Approved October 21, 1982.)

Public Law 97–432 (H.R. 5456)

Amends the Plant Quarantine Act of August 20, 1912, to eliminate the requirement that a public hearing be held before promulgation of regulations restricting importation or interstate movement of certain plants or plant materials. (Approved January 8, 1983.)

Public Law 97–439 (Federal Seed Act Amendments of 1982; H.R. 7005)

Eliminates certain labeling and testing requirements that have been rendered obsolete due to a number of advancements in seed technology and marketing. These changes, primarily of a technical nature, relating to interstate commerce in seed mixtures intended for lawn and turf purposes and certain imported seeds, will eliminate undue burdens and expenses on both the seed industry and the Federal Government, while maintaining adequate protection for users of seed. (Approved January 8, 1983.)

Public Law 97–444 (Futures Trading Act of 1982; H.R. 5447)

Funding authorization.—The Act extends the authorization for appropriations for the Commodity Futures Trading Commission (CFTC) through September 30, 1986.

Jurisdiction.—The Act—

(1) Clarifies CFTC's jurisdiction over futures contracts and options on futures contracts based on a group or index of securities (stock index futures), and specifies standards that must be met before

new contracts are approved. Requires the CFTC to consult with the SEC before approving contract applications pending on December 8, 1982. For applications submitted to the CFTC after December 8, 1982, authorizes the SEC to disapprove the application if it believes the proposed new contract does not meet the requirements set in the act. Authorizes a person aggrieved by any such order of the SEC to obtain judicial review under the terms and conditions provided in section 6(a) of the Commodity Exchange Act. The CFTC retains exclusive authority to regulate all aspects of trading in such contracts after they are approved.

(2) Prohibits futures contracts (or options on futures contracts) on individual corporate bonds or securities, or municipal securities. Otherwise, continues CFTC exclusive jurisdiction over commodity futures contracts (including options on futures contracts). Continues CFTC exclusive jurisdiction over options on commodities, but provides that there would be no CFTC jurisdiction over options on securities, including any group or index thereon or interest therein, and specifically provides that nothing in the Act applies to options based on foreign currency when these options are traded on a national securities exchange.

Agricultural options.—The Act authorizes the Commission to conduct a pilot program for the trading of agricultural options in as many agricultural commodities as will provide an adequate test of these options. After completion of the pilot program, the Commission may authorize option trading in these commodities without regard to the restrictions of the pilot program, but subject to the same requirements that apply to options trading in other commodities. The trading of options in agricultural commodities had been banned since 1936, even though options trading in other commodities was authorized.

State jurisdiction.—The Act—

(1) Explicitly permits the application of any Federal or State law to activities of persons who are required to, but who do not, register with the CFTC or who otherwise engage in commodity transactions outside the Act's regulatory structure, such as the offer and sale of off-exchange futures contracts or other commodity investments.

(2) Provides State officials new authority to proceed in a State court against any person registered under the Act (other than a floor broker or registered futures association) for an alleged violation of any antifraud provision of the Act or antifraud rule, regulation or order issued thereunder. Requires any State instituting a proceeding under this provision to give the Commission prior written notice of its intent to proceed and to furnish the Commission with a copy of its complaint or other moving paper immediately upon instituting any such proceeding. Authorizes the Commission to intervene in any such proceeding and to file an appeal or to appear as amicus curiae in any such proceeding. Authorizes the Commission or the defendent to remove such proceeding to Federal court within 60 days after service of the summons and complaint upon the defendant to help assure uniformity in the interpretation of the Act.

Registration.—The Act—

(1) Requires registration of principals, employees and consultants of commodity pool operators and commodity trading advisors as associated persons when such persons are involved in solicitation of

customers orders or the supervision of persons engaged in such solicitation.

(2) Provides for registration as an "introducing broker" of any person who solicits or accepts orders for futures contracts traded on or subject to the rules of a contract market, but who does not accept any customers' funds. Requires registration of any employee of an introducing broker as an associated person when the employee solicits or accepts customers' orders or supervises any person so engaged. Provides for regulation of introducing brokers in a manner similar to that of futures commission merchants and for introducing broker membership in, and regulation by, a registered futures association.

(3) Extends CFTC authority to require proficiency or fitness testing to all persons who are required to register with the CFTC.

(4) Provides authority to delegate to any person (such as a self-regulatory organization) any portion of the CFTC's registration functions.

(5) Prohibits a registrant from permitting a person to be associated with him if he knows or should have known that the person is subject to a statutory disqualification.

(6) Establishes statutory disqualifications as bars to registration; authorizes the CFTC to refuse to register or condition, suspend, or restrict registration without a hearing, or revoke registration after a hearing, if any of 8 enumerated conditions are present; and authorizes the CFTC to refuse to register or condition registration after opportunity for hearing if any of 14 other enumerated conditions are present.

(7) Requires the CFTC to suspend the registration of any person subject to a felony conviction for embezzlement or conversion and to deny reregistration for a period of at least 5 years, unless the CFTC determines that such action is not required to protect the public interest.

(8) Requires the CFTC to take action to suspend the registration and deny reregistration for 5 years or longer in the case of any person subject to a felony conviction for attempted manipulation or the transmission of false or misleading information, and suspend the registration and deny reregistration for 2 years or longer in the case of any person, convicted of a knowing violation of position limits. Also requires the CFTC to bar any such person from using any market regulated by the CFTC on terms and conditions set by the CFTC for at least a 5-year period, or, in the case of a conviction for violation of position limits, for at least a 2-year period.

(9) Authorizes the CFTC to register conditionally or place conditions on an existing registration.

(10) Makes it a felony for any person registered or required to be registered under the Act, or any employee or agent thereof, to embezzle or steal customer assets.

Rules and regulations and designation of new contract markets.—The Act—

(1) Gives the Commission one year to approve a new contract application or to deny the application and specify grounds for the denial. Stays the running of the 1-year period if the Commission notifies the board of trade that its application is deficient and allows the CFTC

at least 60 days to act on an application resubmitted in completed form.

(2) Requires submission for prior CFTC approval of proposed contract market rules that relate to contract terms and conditions; requires submission of other proposed rules but permits implementation of those rules after 10 days notice to the CFTC.

(3) Provides that a contract market may put a proposed rule into effect if the CFTC has not approved the rule or instituted disapproval proceedings within 180 days after submission of the proposed rule, or if disapproval proceedings have been instituted within 180 days but have not been completed within 1 year of filing.

(4) Expressly permits contract markets and other licensed exchanges to set speculative limits for futures or option transactions. Makes a violation of speculative limits set by an exchange a violation of the Act if exchange limit has been approved by CFTC, and makes the criminal provisions of the Act applicable to those who knowingly violate such limits.

(5) Expressly authorizes CFTC to adopt rules proscribing fraud and requiring minimum financial standards, disclosure of risk and reporting requirements, keeping of books and records, safeguarding of customer funds, and registration with the Commission by any person located in the United States who is engaged in the offer and sale of foreign futures contracts.

(6) Specifically authorizes the CFTC to establish different speculative limits that may apply to the different number of days remaining until the last day of trading of a contract.

Emergency powers.—The Act—

(1) Includes in the CFTC's emergency powers the explicit authority to set temporary emergency margin levels on futures contracts and the fixing of position limits that may apply to positions acquired prior to the CFTC's action.

(2) Authorizes judicial review of emergency actions by the CFTC only in United States courts of appeal.

Remedies.—The Act—

(1) Adds a new section to the Act to provide specific authority for private rights of action in federal district court by persons engaging in commodity transactions for recovery of actual damages against violators of the Commodity Exchange Act, subject to specified conditions.

(2) Eliminates the current $15,000 ceiling on claims subject to arbitration through contract markets and registered futures associations; retains existing right of customer to elect arbitration.

(3) Limits reparations claims to cases where respondent is registered with the Commission; eliminates statutorily-required procedures, including the requirement that claims over $5,000 must be heard by an Administrative Law Judge; authorizes the CFTC to issue rules, regulations and orders for the administration of the reparations program; and extends the automatic prohibition on trading, upon failure to pay a final reparations award, to any party.

Insider trading.—The Act provides that the Commission shall, at a cost of not more than $200,000, undertake a study of insider trading, and not later than September 30, 1984, transmit to the Senate Committee on Agriculture, Nutrition, and Forestry and the House Committee

on Agriculture a report describing the results of these studies and including any recommendations for legislative action. Requires the study to cover the nature, extent, and effect of trading in representative futures markets by persons possessing material information regarding cash or futures transactions that is not generally available to the public, and the adequacy of the Commission's authority to prevent market and customer abuses resulting from the possession of such nonpublic information.

Registered Futures Association.—The Act—

(1) Enhances the effectiveness of the National Futures Association, a new industry self-regulated body. Requires the NFA to implement by September 30, 1985, a comprehensive self-regulatory program including rules that require the Association to establish (a) training standards and proficiency testing for personnel of members involved in the solicitation of transactions subject to the provisions of the Act, supervisory officials of such personnel, and all individuals for which it has registration responsibilities; (b) a program to audit and enforce such standards; (c) minimum capital, segregation, and other financial requirements applicable to its members for which requirements are imposed by the Commission; and (d) minimum standards governing the sales practices of its members and persons associated therewith as to transactions subject to the provisions of the Act. Requires the Commission to submit a report to Congress on the regulatory experience of the NFA not later than January 1, 1986, covering the period January 1, 1983, through September 30, 1985.

(2) Authorizes the CFTC to require a registered futures association to perform any portion of the CFTC's registration functions under the Act.

Leverage transactions.—The Act—

(1) Requires the Commission, as expeditiously as possible, to regulate leverage transactions on commodities other than agricultural commodities under terms and conditions as the Commission shall prescribe.

(2) Deletes section 19(d) of the Commodity Exchange Act. Provides that the Commission may prohibit any leverage transactions not permitted on December 8, 1982, if the Commission determines that such transactions would be contrary to the public interest.

Study of the commodity futures industry.—The Act—

(1) Requires a study of the effects on the economy of trading in futures contracts and options. The study will be carried out by the Board of Governors of the Federal Reserve System with the assistance of the Commodity Futures Trading Commission, the Securities and Exchange Commission, and the Secretary of the Treasury. Limits the cost of the study to not more than $3,000,000.

(2) Provides for the CFTC and the SEC to have responsibility for selecting and studying the instruments under their respective jurisdictions, but for the Board of Governors to review, and supplement with its own analysis, studies conducted by the other agencies and submit a report of the study to Congress by September 30, 1984, together with recommendations for legislative or regulatory action proposed by the participants.

Service fees.—The Act clarifies the authority of the Commission to promulgate, after notice and opportunity for hearing, a schedule of

service fees to be charged for functions performed by the Commission in its administration and enforcement of the Commodity Exchange Act, but does not authorize any transaction fee or transaction tax. Limits the fees for any specified service or activity or function to the actual cost of the services to the Commission.

Agricultural exports.—The Act prohibits the President, except in periods of declared war or national emergency, from prohibiting or curtailing the export of any agricultural commodity, or the products thereof, covered by an export sales contract when (a) the export sales contract was made prior to the announcement of action prohibiting or curtailing these exports and (b) the contract requires delivery within 270 days after the trade suspension is imposed. (Approved January 11, 1983.)

Public Law 97-461 (H.R. 6679)

Authorizes civil penalties for violations of various laws prohibiting the introduction and dissemination of livestock and poultry diseases, plant diseases and plant pests. (Approved January 12, 1983.)

Public Law 97-465 (S. 705)

Authorizes the Secretary of Agriculture to sell, exchange, or interchange by quitclaim deed certain small parcels of National Forest System land the sale, exchange, or interchange of which is not practicable under any other authority of the Secretary. The lands involved are parcels valued at not more than $150,000 which are (1) 40 acres or less in size and are interspersed with or adjacent to lands earlier transferred from Federal ownership under the mining laws; (2) 10 acres or less in size and are innocently encroached upon by persons who relied in good faith on an erroneous survey or other land description; and (3) road rights-of-way no longer needed by the United States. The consideration to be accepted by the Secretary in the transactions may be in the form of land or cash, or any combination thereof equivalent in value to the lands sold, exchanged or interchanged by the Secretary. Lands in the National Wilderness Preservation System may not be conveyed under this authority.

Expands current authority under the Act of December 4, 1967, by adding as governmental bodies which may participate in certain exchanges, State, county or municipal governments. (Under current law there are special provisions applicable to exchanges of National Forest System lands proposed to the Secretary by public school districts or other public school authorities. If such proposing bodies have insufficient land to effectuate the exchange, the exchange may be completed by deposit with the Secretary of the value of the land concerned.) (Approved January 12, 1983.)

B. BILLS PASSED BY SENATE—NOT ACTED ON BY HOUSE

S. 1007 (Food Stamp and Commodity Distribution Amendments of 1981)

The bill would—

Establish gross income eligibility limits at 130 percent of the applicable Federal poverty line except for households with elderly or disabled members;

Revise various provisions indexing food stamp benefits for inflation to delay future benefit increases;

Reduce the earned income deduction from 20 to 15 percent of earnings;

Require retrospective accounting and periodic reporting in the determination of eligibility and benefits by all States by October 1, 1983;

Repeal provisions scheduled to take effect in fiscal year 1982 creating a separate deduction for dependent care expenses of up to $90 per month and lowering the threshold above which medical expenses are deductible from $35 to $25 per month;

Deny eligibility for food stamps to households with a member on strike unless the member was eligible prior to the strike;

Make various changes in work requirements to extend the voluntary quit disqualification to those already receiving food stamps, lengthen the disqualification period for voluntarily quitting a job from 60 to 90 days, require household members not otherwise exempt from work registration to register for work after the youngest child they are caring for reaches age 6, and provide for automatic loss of food stamp eligibility for households in which a member fails to comply with another program's work registration requirements;

Permit States and localities to establish workfare programs under which food stamp work registrants could be required to perform public service work arranged by the State or locality in order to retain food stamp eligibility;

Prorate the amount of a household's initial allotment based on the days remaining in the month of application;

Tighten rules governing expedited issuance of benefits to very poor applicants;

Provide improved procedures for collection of overpayments and allow States to retain 25 percent of certain overissuances;

Extend the penalty of disqualification to include misrepresentation as well as fraud and lengthen disqualification periods;

Require that, in verifying food stamp eligibility and benefits, States ask for and use available information collected by unemployment insurance agencies or the Social Security Administration, and require social security numbers for all household members on applications;

Authorize appropriations under the Food Stamp Act of 1977 for fiscal years 1981 through 1985;

Prevent artificially splitting households by requiring nonelderly parents and their children to apply as one food stamp household and making "informal" boarders ineligible as separate households;

Remove eligibility for food stamps of drug addicts and alcoholics residing in treatment programs;

Attribute to a legally resident alien for 3 years after entry in determining food stamp eligibility and benefits a portion of the income and assets of the person who sponsored the alien;

Prohibit Federal funding of food stamp outreach activities;

Make clear that only a Federal law can exclude income or resources from food stamp eligibility and benefit calculations;

Make food stores where alcoholic beverages are served for consumption on the premises no longer eligible to accept food stamps;

Remove the requirement that cash change be given in food stamp purchases;

Hold States liable for losses from the mail issuance of food stamps to the extent losses exceed 1 percent;

Authorize a special, higher benefit level for rural areas of Alaska;

Delete Food Stamp Act prohibitions against counting food stamp benefits as income in other programs or adjusting benefits in other programs because of the receipt of food stamps;

Require notices in food stores approved to accept food stamps giving information on how to report observed cases of food stamp abuse and require notice on food stamp applications that the information provided will be subject to verification by Federal, State, and local agencies;

Delete the requirement that eligibility for food stamps be continued for 60 days when a household moves to another political jurisdiction;

Prohibit more than 1-year's worth of food stamps from being restored upon finding an improper denial of benefits;

Place restriction on replacing lost, destroyed, or misplaced food stamp allotments;

Allow State agencies to promptly reduce or terminate benefits, without meeting advance notice requirements, if a recipient household has provided, in writing, information that clearly requires such action;

Delete the requirement that State agencies notify recipients as to when their eligibility certification will expire immediately before the last month of certification;

Require that information provided by food stamp recipients be made available to law enforcement officials investigating food stamp violation;

Continue existing pilot projects involving the payment of food stamp benefits in cash to elderly households and households composed of recipients of supplemental security income (SSI), and authorize pilot projects to test the "cash out" of food stamp benefits to AFDC households and the simplification of processing food stamp applications for certain AFDC and SSI recipients;

Extend authority to operate commodity distribution programs—including the commodity supplemental food program and programs for Indian reservations, outlying territories, elderly nutrition projects, institutions, summer camps, and disaster relief—through fiscal year 1985, and provide criminal penalties for misuse of federally donated commodities;

Ease existing rules allowing certain States to "cash out" food stamp benefits for SSI recipients, in order to permit the continued availability of this option;

Lower food stamp income eligibility limits in Puerto Rico to 55 percent of those used for the continental United States from October 1, 1981, through March 1, 1982, and, beginning April 1982, convert the food stamp program in Puerto Rico into an $825 million per year block grant for food assistance;

(Passed Senate June 10, 1981. Most of the provisions were subsequently included in either the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) or the Agriculture and Food Act of 1981 (Public Law 97-98).)

C. BILLS REPORTED—DID NOT PASS SENATE

S. 505

The bill would have amended section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to require that table grapes imported into the United States, during the time that a Federal marketing order is in effect for table grapes, meet the same standards for grade, size, quality, and maturity as are applicable to domestic table grapes subject to the market order. (Reported September 24, 1982. The provisions of this bill were subsequently included in Public Law 97–312.)

S. 1036

The bill would have extended the authorization for appropriations to support the Federal pesticide program under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) through September 30, 1982. The bill would have authorized appropriations of $62,069,000 for fiscal year 1982 to implement FIFRA. In addition, the bill would have reauthorized the FIFRA Scientific Advisory Panel for 2 years by extending the termination date thereof to September 30, 1983. (Reported May 15, 1981.)

S. 2314

S. 2314 would have revised the farm and rural development programs of the Farmers Home Administration in the following ways:

Water and waste facility loans.—Insured loans would be authorized at a level of $300 million for each of the fiscal years 1983, 1984, and 1985. The rate of interest on water and waste facility loans would be set at not more than 5 percent for facilities required to meet health or sanitary standards in communities where the median family income of persons to be served by the facility is below 80 percent of the statewide nonmetropolitan median family income, and at not more than 7 percent in communities where that income figure is between 80 and 100 percent of the statewide nonmetropolitan median family income.

Rusiness and industry loans.—Guaranteed loans would be authorized at a level of $400 million for each of the fiscal years 1983, 1984, and 1985. In addition, the program requirements would be tightened by (i) raising the equity requirement for loan applicants to 20 percent; (ii) decreasing the maximum level of the Federal loan guarantee to 80 percent; and (iii) requiring that the Secretary of Agriculture give the highest priority to loan applications for business and industrial enterprises to be located in areas of economic distress and high unemployment.

Real estate loans and limited-resource borrowers program.—Real estate loans would be authorized at a level of $775 million for farm ownership loans ($700 million for insured loans and $75 million for guaranteed loans, with authority to transfer up to 25 percent between categories) and $31 million for water development, use, and conservation loans for each of the fiscal years 1983, 1984, and 1985. In addition, not less than 15 percent of the insured farm ownership loans would be targeted for low-income, limited-resource applicants. The Secretary would require limited-resource borrowers to repay all or a por-

tion of their interest rate subsidy when they dispose of property purchased with low-interest loans.

Operating loans.—Operating loans would be authorized at a level of $1.60 billion ($1.547 billion for insured loans and $53 million for guaranteed loans, with authority to transfer up to 25 percent between categories) for each of the fiscal years 1983, 1984, and 1985. Not less than 15 percent of the insured farm operating loans would be targeted for low-income, limited-resource borrowers. The Secretary would have authority to require borrowers to purchase crop insurance, where available, on crops used as substantial security for loans. The Secretary would also make a thorough review of the financial status of any applicant who has received FmHA operating loans during each of the 5 years prior to the filing of the application.

Emergency loans.—Emergency loans would be authorized in amounts as may be necessary to meet the needs resulting from natural disasters during each of the fiscal years 1983, 1984, and 1985. The Secretary would also have authority to require that emergency loan borrowers purchase crop insurance, where available, on crops used as substantial security for loans.

Insured community facility loans.—Insured community facility loans would be authorized at a level of $130 million for each of the fiscal years 1983, 1984, and 1985.

Oil and gas leasing proceeds.—Borrowers under both the Consolidated Farm and Rural Development Act and the Emergency Agricultural Credit Adjustment Act of 1978 would be permitted to use the proceeds from the leasing of oil and gas rights and other mineral rights, with respect to any real property being used as security for the loans, to make current loan payments.

Studies.—The Secretary of Agriculture would be directed to conduct three studies, and to report the results to the Senate and the House agriculture committees within 120 days after enactment of the bill, as follows:

(i) A marketing study, which would investigate the practicality of, and methods for, assisting and encouraging FmHA borrowers to improve their knowledge and use of such marketing techniques as futures trading, agricultural options trading, and forward contracting;

(ii) A cost-effective study of on-site water treatment, which would be used to determine the cost-effectiveness of providing individual on-site water and waste treatment systems in rural areas; and

(iii) A variable interest rate study, which would evaluate the potential use of variable interest rates for FmHA loans. (Reported May 26, 1982.)

S. 2960

The bill would have—

(1) extended the economic emergency loan program for farmers for 1 year, to September 30, 1983, and revised the program to—

(a) require the Secretary of Agriculture to make loans to eligible farmers under the program;

(b) lower—from $400,000 to $200,000—the maximum amount of loan principal that a farmer may have outstanding under the program at any one time; and

(c) lower—from $650,000 to $450,000—the total maximum amount of loan principal that a farmer may have outstanding at any one time under the economic emergency loan program and the Farmers Home Administration farm real estate and operating loan programs;

(2) during the period beginning on the date of enactment of the bill and ending September 30, 1983, required the Secretary to (a) permit family farmers with economic emergency loans or farm loans under the Consolidated Farm and Rural Development Act, on request, to defer repayment of such loans, and (b) forego foreclosure of such loans, if the borrower can show that he is temporarily unable to continue making payments on the loan due to circumstances beyond his control;

(3) required the Secretary, after the deferral period for any such loan ends, to make available to the borrower consolidation, rescheduling, or reamortization of the loan (at an interest rate not in excess of the interest rate on the original loan);

(4) required the Secretary to promulgate regulations that provide—

(a) notification of all farm borrowers of the Secretary's authority to defer repayment of loans or take similar steps to assist the borrower;

(b) clear procedures by which borrowers may petition the Secretary for such assistance;

(c) appeal within the Department of Agriculture from decisions that deny such assistance; and

(5) established that, for any farm loan deferred, consolidated, rescheduled, or reamortized by the Secretary under authorities provided in the Consolidated Farm and Rural Development Act (other than those contained in the bill), the interest rate for the remaining balance and term of the original loan cannot exceed the rate of interest on the original loan. (Repeated September 27, 1982.)

H.R. 5203 (*S. 2620*)

The provisions of H.R. 5203, as amended by the Committee, embodied many of the provisions contained in S. 2620 and would have amended the Federal Insecticide, Fungicide, and Rodenticide Act in the following ways:

Registration.—The bill would extend from 10 to 15 years the basic period for exclusive use for some types of registration data filed with the Environmental Protection Agency. The 15-year period of exclusive use would also be applied to "additional data" requested by EPA to support an existing registration. The bill would also terminate EPA's policy of requiring registration applicants to cite all relevant data in EPA's files, and would phase out, by 1993, the current authority for providing registrants the right to use certain registration data submitted by other companies if compensation for this use is paid.

Protection of trade secret data.—The bill would retain the current ban on release of trade secret information by EPA, except that it would allow States to obtain some trade secret information. For data or information to be given trade secret protection, a data submitter must designate it as trade secret and explain the basis for the designation when the data is first submitted. The bill also would allow registrants 60 days to designate data or information previously submitted

to EPA as trade secret information. Failure to do so will result in all such data or information being subject to release to the public.

EPA may release to the public all health and safety data, except for trade secret information, subject to reasonable conditions on further copying, publication, and transfer of the data by persons who receive it. The bill would prohibit EPA from releasing any registration information to other pesticide producers or persons representing or working for them, and to certain foreign nationals.

EPA may not make public any information received from a foreign government if that government requires confidential treatment as a condition for providing the information. Also, the bill would allow EPA to disclose data, other than trade secret information, to foreign governments subject to an agreement with that government restricting further disclosure and use.

The bill would authorize enforcement of the data disclosure provisions through private civil actions and through civil or criminal actions brought by EPA.

Other provisions.—The bill would continue the authority of States to regulate the sale and use of pesticides and would clarify that this authority is specifically reserved to the State government.

The bill would establish procedures for States to acquire health and safety data in addition to that needed for EPA registration. The bill also would establish time limits for the processing of applications that do not involve a special local concern within the State, and would provide for judicial review by Federal district courts.

The bill would make it unlawful for an employer to take adverse employment action against a person because that person exercised any rights under FIFRA.

The bill would extend the term of the Scientific Advisory Panel of the EPA for 10 years, through September 30, 1992.

The bill would reauthorize the FIFRA program for 2 years.

D. RESOLUTIONS AGREED TO

S. Res. 145

Waiving sections 303(a) and 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 884. May 27, 1981, reported to Senate by Committee; June 15, 1981, reported to Senate by Committee on the Budget; September 14, 1981, agreed to.

S. Res. 149

Waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1007. June 2, 1981, reported to Senate by Committee; June 5, 1981, reported to Senate by Committee on the Budget; June 9, 1981, agreed to.

S. Res. 218

Relating to the school lunch program. October 30, 1981, reported to Senate, with amendments (S. Rept. 97–263); December 9, 1981, agreed to.

S. Res. 257

To express the sense of the Senate that the Secretary of Agriculture should continue Department policy in deferring the repayment of, and foreclosure proceedings on, certain outstanding loans made by the

Farmers Home Administration. December 11, 1981, introduced, held at desk, and agreed to.

S. Res. 362

To urge the President of the United States to take appropriate action to protect U.S. exports of corn gluten feed. April 15, 1982, introduced, held at desk, and agreed to.

S. Res. 524

To express the sense of the Senate that the Secretary of Agriculture use his existing authorities to export surplus dairy products. December 20, 1982, introduced, considered, and agreed to.

H. Con. Res. 412

Extending to the Graduate School, United States Department of Agriculture, the appreciation of the Congress on the sixtieth anniversary of the founding of the school. September 28, 1982, received in Senate, and held at desk; December 2, 1982, agreed to.

V. Nominations Acting Upon

Ball, Ralph—Member of the Federal Farm Credit Board, Farm Credit Administration; Dec. 9, 1981, reported to Senate and confirmed by the Senate.

Barnes, James A.—General Counsel of the Department of Agriculture; May 15, 1981, reported to Senate; May 19, 1981, confirmed by Senate.

Bentley, Orville G.—Assistant Secretary of Agriculture; September 29, 1982, reported to Senate; December 8, 1982, confirmed by Senate.

Block, John R.—Secretary of Agriculture. January 22, 1981, confirmed by Senate.

Carothers, Tom H.—Member of the Federal Farm Credit Board, Farm Credit Administration; August 17, 1982, reported to Senate; August 18, 1982, confirmed by Senate.

Crowell, John B., Jr.—Assistant Secretary of Agriculture for Natural Resources and Environment, April 1, 1981, reported to Senate; May 20, 1981. confirmed by Senate.

Fouts, Leonard R.—Member of the Federal Farm Credit Board, Farm Credit Administration; August 17, 1982, reported to Senate; August 18, 1982, confirmed by Senate.

Gilles, Kenneth A.—Administrator of Federal Grain Inspection Service; May 21, 1981, reported to Senate; June 4, 1981, confirmed by Senate.

Graziano, John V.—Inspector General, Department of Agriculture; July 21. 1981, reported to Senate by the Committee; July 29, 1981, reported to Senate by Committee on Governmental Affairs; July 30, 1981, confirmed by Senate.

Hineman, Kalo A.—Commissioner of the Commodity Futures Trading Commission; December 16, 1981, confirmed by Senate.

Hunter, Harold V.—Administrator of the Rural Electrification Administration; July 29, 1981, reported to Senate; August 1, 1981, confirmed by Senate.

Jarratt, Marv Claiborne—Assistant Secretary of Agriculture for Food and Consumer Services; May 15, 1981, reported to Senate; May 19, 1981, confirmed by Senate.

Jarratt, Mary Claiborne—Member of the Board of Directors of the Commodity Credit Corporation; June 5, 1981, reported to Senate; June 10, 1981, confirmed by Senate.

Johnson, Philip F.—Commissioner of the Commodity Futures Trading Commission, and Chairman of the Commodity Futures Trading Commission; May 21, 1981, reported to Senate; June 4, 1981, confirmed by Senate.

Lesher, William Gene—Assistant Secretary of Agriculture for Economics, and to be a Member of the Board of Directors of the Commodity Credit Corporation; April 1, 1981, reported to Senate; April 8, 1981, confirmed by Senate.

Lodwick, Seeley—Under Secretary of Agriculture for International Affairs and Commodity Programs, and to be a Member of the Board of Directors of the Commodity Credit Corporation; April 1, 1981, reported to Senate: April 8, 1981, confirmed by Senate.

Lyng, Richard E.—Deputy Secretary of Agriculture; February 20, 1981, reported to Senate; February 24, 1981, confirmed by Senate.

Lyng, Richard E.—Member of the Board of Directors of the Commodity Credit Corporation; June 5, 1981, reported to Senate; June 10, 1981, confirmed by Senate.

McMillan, C. W.—Assistant Secretary of Agriculture for Marketing and Transportation Services: March 12, 1981, reported to Senate; March 17, 1981, confirmed by Senate.

McMillan, C. W.—Member of the Board of Directors of the Commodity Credit Corporation; April 1, 1981, reported to Senate; April 8, 1981, confirmed by Senate.

Mizell, Wilmer D.—Assistant Secretary of Agriculture; August 17 reported to Senate; August 18, 1982, confirmed by Senate.

Naylor, Frank W., Jr.—Under Secretary of Agriculture for Small Community and Rural Development; May 15, 1981, reported to Senate; May 19, 1981, confirmed by Senate.

Naylor, Frank W., Jr.—Member of the Board of Directors of the Commodity Credit Corporation; June 5, 1981, reported to Senate; June 10, 1981, confirmed by Senate.

Phillips, Susan Meredith—Commissioner of the Commodity Futures Trading Commission: October 21, 1981, reported to Senate; October 27, 1981, confirmed by Senate.

Rank, Everett George, Jr.—Member of the Board of Directors of the Commodity Credit Corporation; October 21, 1981, reported to Senate; October 27, 1981, confirmed by Senate.

Scarboro, W. Proctor—Member of the Federal Farm Credit Board, Farm Credit Administration; December 9, 1981, reported to Senate and confirmed by Senate.

Shuman, Charles Wilson—Administrator of the Farmers Home Administration; July 29, 1981, reported to Senate; August 1, 1981, confirmed by Senate.

West, Fowler C.—Commissioner of the Commodity Futures Trading Commission; September 29, 1982, reported to Senate; October 1, 1982, confirmed by Senate.

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